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Japan

Black Market Rice Retailer Challenges Tokyo

OW1303115292 Tokyo KYODO in English 1121 GMT 13 Mar 92

["Tough Black Market Rice Retailer Challenging Government (by Keiko Tatsuta)"—KYODO headline]

[Text] Tokyo, March 13 KYODO—In a country known for its tightly controlled rice market and high rice prices, one maverick rice retailer in central Japan is seeking to taunt the government into a showdown over its farm policy.

Openly flouting the country's system of government-controlled distribution of the staple grain, black market retailer Isonobu Kawasaki, 55, this month notified the tax office in his rice-growing area of Toyama Prefecture on the Japan Sea that he would not file a final corporate income tax return for his 1991 sales of illegal rice.

Kawasaki is not alone in thinking Japan's 50-year-old law controlling the rice market and barring imports hurts both producers and consumers—it is a hotly debated issue inside Japan and internationally.

But he is highly unusual in openly challenging the government on the sensitive subject.

"Bringing the case before the court in any way makes it possible to reveal the evils of the Staple Food Control Act," the former rice farmer said in a telephone interview.

Kawasaki has been a thorn in the government's side since last November when he sought to publicly expose the law's "meaninglessness" by calling on the food agency to file a complaint against him for violating the law.

"One-way control under the pretext of protection has spoiled highly motivated farmers," Kawasaki said. The government "should leave agriculture to farmers."

Neither producers nor consumers benefit from the current food control system, under which farmers cannot sell their rice crop freely, Kawasaki argues.

He was forced into the tacitly condoned black market a decade ago when an authorized agricultural cooperative refused to buy his rice crop because he rejected a government order to grow crops other than rice.

Kawasaki now retails "jiyu-mai"—literally, "free rice"—outside the two government-approved channels. Legally, "seifu-mai" rice can be sold directly to the government, which oversees its distribution, and "jishu-ryutsu-mai" can be sold on the free market, although its production is government-controlled.

The black-market jiyu-mai sells about 10 percent cheaper than government-controlled rice, but is still far more expensive than world market prices.

The approved jishu-ryutsu-mai accounts for about 70 percent of the roughly 10 million tons of rice distributed domestically each year, while the black market rice is said to amount to more than two million tons, or some 20 percent.

Rice distribution is, thus, in a sense being liberalized, with the directly controlled seifu-mai gradually receding from the market.

But the Staple Food Control Act, enacted in 1942 to ensure enough food during the war, remains essentially unchanged. It provides the government's unified control of rice, including its basic production plan, purchases of whole rice harvests, a licensing system for distribution, and import and export control.

Times, meanwhile, have changed, and the market has become satiated. Since rice consumption peaked in 1963, Japan's farmers have overproduced the crop, helped by improvements in production techniques.

As a result, the government began imposing "gentan" cuts in production, under which rice farmers have been forced to reduce the acreage under rice cultivation or switch crops.

Also, foreign calls have increased in global trade talks for Japan to open its rice market.

Kawasaki welcomes the external pressure, saying, "market liberalization can save Japan's agriculture from declining."

"Opening the market could cause temporary problems, but Japanese farmers have enough capacity to compete with foreigners soon," he said.

In another heresy against the conventional wisdom, Kawasaki expressed interest in buying American rice, saying, "knowing one's enemies means knowing oneself."

Rejecting the view that Japan's rice farmers would drown in a flood of cheap imported grain, he foresees a full rice lineup for consumers, with Japanese farmers producing their tastiest crop as the country's staple, and lower-priced foreign rice filling other rice needs.

The government has not punished Kawasaki himself, but the food agency has taken administrative measures against 61 retailers who sold rice to the unlicensed retailer, with the maximum punishment a two-week business suspension.

Among those traders was an agricultural cooperative in Noda, east of Tokyo, which expressed doubts about the present state of the Staple Food Control Act.

"The government has permitted black market rice tacitly because the rice market cannot exist without jiyu-mai," a senior official of the cooperative said on condition of anonymity.

"Everyone concerned sides with him behind the scenes-...But the government and cooperatives have strong power," the official said. "What we really wish is clear and steady agricultural administration."

He expressed concern for the cooperatives' future if things remain the same for 10 years, saying, "although the cooperatives now have a 90 percent market share, it is only a matter of time" (before they lose the share).

Kawasaki lost the suppliers targeted by the administration but has gradually found new supporters.

Still supplying rice to him is a management organization of farmers producing jiyu-mai in Hachirogata in northern Japan, one of Akita Prefecture's most important agricultural districts.

"We, the whole organization, back him up," said Tadashi Kurose, chief secretary of the group.

"Illegitimate pressure on him in the name of administration is intolerable," Kurose said. "This is a problem which affects the basis of democracy."

Kurose shared Kawasaki's opinion for market liberalization, saying that opening the market "is essential" if Japan is to "establish fair competition and a fair society."

The government, under pressure to open the nation's rice market at the Uruguay Round talks of the multilateral trade negotiations, may be forced to review the food control system.

Prime Minister Kiichi Miyazawa has already shown his stance on the issue, suggesting that accepting a call to switch the rice ban to a system of tariffs might be inevitable. He said acceptance of the proposed tariffication would depend on what moves the United States and the European Community make and whether the change would likely have a substantial impact on rice farmers.

As Kawasaki sees it, "only external pressure can move the administration and change the act under the existing deadlocked situation."

Emperor Not To Go to Okinawa Reversion Ceremony

OW1303113292 Tokyo KYODO in English 1106 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Emperor Akihito and Empress Michiko will not attend a May 15 ceremony on Okinawa marking the 20th anniversary of the return of the islands from the United States, government sources said Friday.

The sources said the imperial couple instead will attend a reversion ceremony in Tokyo because they have not received an invitation to the Okinawa ceremony from the prefectural government.

The Okinawa Prefectural Government decided recently not to invite the emperor and the empress, saying it lacked the time and financial resources to fully prepare for their trip.

But sources said the Okinawa government's decision reflects complex feelings among Okinawans about the battle of Okinawa in World War II and its subsequent 27-year rule by the United States.

"We cannot go without an invitation," an imperial household agency official said.

The imperial couple will visit Okinawa in May 1993 to attend a tree-planting ceremony.

Prime Minister Kiichi Miyazawa and his cabinet members will be among about 300 people who will attend the Tokyo ceremony to celebrate the reversion of Okinawa to Japanese control.

Former U.S. President Richard Nixon, former U.S. Secretary of State Henry Kissinger, former Okinawa Gov. Chobyo Yara, and other former U.S. and Japanese officials involved in the Okinawa reversion negotiations are invited to the Tokyo event.

Emperor Akihito and Empress Michiko will invite the guests to a tea ceremony on May 16.

Defense Agency Lifts Ban on Aerospace Company

OW1303125692 Tokyo KYODO in English 1128 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—The Defense Agency on Friday lifted an administrative ban on contracts with an aviation parts maker five months after imposing the ban because the company illegally exported missile parts to Iran during the Iran-Iraq war, agency officials said.

The lifting of the ban against Japan Aviation Electronics Industry Ltd. follows a lifting of sanctions against it by the U.S. Defense Department.

The leading aerospace equipment manufacturer and the United States have resolved the issue judicially, and the U.S. fined the company 15 million dollars.

The agency imposed the ban on the company last October after prosecutors charged that the company and four executives violated Japan's Foreign Exchange and Foreign Trade Control Law and Tariff Law.

The company allegedly sold 1,357 flywheels for the U.S.-designed Sidewinder air-to-air missiles to the Iranian Air Force over an 18-month period beginning in May 1988.

The four executives admitted in court last December that the company had made the illegal exports.

Japan Aviation Electronics was a major supplier of aviation equipment to the Air Self-Defense Force.

Exim Bank Establishes New Credit Line Scheme

OW1303094292 Tokyo KYODO in English 0746 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—The Export-Import Bank of Japan [Exim Bank] said Friday it has established a new credit line to help companies planning to boost their imports.

The credit line, effective from Friday, is in line with the Japan-U.S. action plan of economic and trade measures aimed at slimming the persistent bilateral trade gap. The plan was announced during U.S. President George Bush's visit to Japan in early January.

The new scheme provides loans to companies that plan to increase their annual imports by 10 percent or more and have consistently imported items recommended by the governmental bank in its lending.

The Exim Bank will extend the credit line, provisionally over the next two years, in co-financing with private financial institutions. The Exim Bank will be responsible for up to 70 percent of a financing package.

The interest rate will be based on the bank's cost of borrowing from the Finance Ministry, which presently stands at 5.5 percent. The repayment term will be five years.

Car Export Controls 'Likely' To Be Maintained

OW1303033692 Tokyo KYODO in English 0223 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Japan is likely to maintain voluntary curbs on car exports to the United States in fiscal 1992 at the current level of 2.3 million units, a high-ranking government source said Friday.

"The numbers probably will not be changed and are likely to ramain at the present level," the source said.

A formal decision on the issue will soon be announced by the Ministry of International Trade and Industry, which is giving serious consideration to the matter, the source said.

Japan has voluntarily limited its car exports to the U.S. market to 2.3 million units per year, although actual shipments fell short of the ceiling for the last several years because of sluggish demand.

In New York, a leading U.S. automotive analyst called Thursday for Japan to reduce its car exports to the United States as a means of easing friction between the two countries.

The analyst, Maryann Keller, declined to specify a new figure for a ceiling on Japanese exports but said she thinks it should be done "Because I think it is something that could help cool the fever going around in Washington."

Keller said the cut should be made in order to avoid creating a supply shortage on the U.S. car market. U.S. politicians and auto industry leaders have called for Japan to lower the ceiling to 1.7 million units.

Predicting that the U.S. economic recession will not last long, Keller said Japan should reduce the quota not merely as "a gesture."

Russia Says No Plan To Resume Nuclear Testing

OW1303101492 Tokyo KYODO in English 1003 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Japan has received assurances from Russia that it is not preparing to resume nuclear testing, a senior Foreign Ministry official said Friday.

The source said the Russian presidential office told Japanese Embassy officials in Moscow there is no truth to reports that a resumption of nuclear testing is being planned.

Foreign Minister Michio Watanabe said in the Diet Thursday that Japan would call on Russia to halt such testing if the reports were true.

UN Official Reiterates Call for Aid to Cambodia

OW1303094092 Tokyo KYODO in English 0827 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Yasushi Akashi, head of the United Nations Transitional Authority in Cambodia (UNTAC), reiterated his call Friday for Japan to contribute personnel as well as funds for UN peace-keeping operations in Cambodia.

"I think Japan will be extremely lonely and regretful if it contributes only in the financial field," Akashi said at a news conference at the Japan National Press Club.

"I'm not trying to make an unreasonable demand that contradicts Japan's Constitution and laws. I'm asking for Japan to do its best," he said.

Akashi proposed Japan send 40 people, or 10 percent of 400 UN volunteers, and another 100 to monitor a Cambodian general election in 1993 among the planned 1,000 people.

He also said mine removal experts, medical staff, and specialists to supervise Cambodia's civil administration are also necessary for the 18-month UN peacekeeping operations.

Akashi said there are still no bright prospects on the financial side and called on Japan to contribute more than its current share for the operations.

The UNTAC operations are estimated to cost 2.8 billion dollars, which includes peacekeeping, disarming the Cambodian factions, supervising the election, repatriating some 370,000 refugees, and reconstructing the war-devastated country.

UN member countries are required to finance 1.9 billion dollars of the total.

Japan is expected to pay 24.9 million dollars toward start-up costs for UNTAC, based on its annual assessed UN contribution rate.

The United States has unofficially suggested that as Cambodia is in Japan's sphere of interest, Japan should match the expected U.S. contribution of 30 percent of the required 2 billion dollars.

At a session of the House of Representatives' Special Committee on International Peace Cooperation on Wednesday, Akashi said he would like Tokyo to assume one-third of the total cost of the peacekeeping effort in Cambodia.

While saying there are no specific grounds for the amount, Akashi said, "there are a lot of people in the world who think that it is not so strange for Japan, as a leading nation in Asia, to bear one-third of the burden of the (UNTAC) costs."

"I think it will be a great opportunity for Japan to take the initiative in playing the role of pacesetter in this problem," he said, adding that the international community is giving high marks to Japan's attitude on problems involving Cambodia.

Japan is scheduled to host an international convention in June to discuss Cambodia's reconstruction.

Akashi said the UNTAC operations will be a test case for the UN's ability to solve regional disputes in the post-cold war era.

Appointed on January 9 to lead the unprecedented UN operation, Akashi is visiting Japan on his way to assume office in Phnom Penh on March 15. He will leave Tokyo on Saturday morning.

Assistance Commitment to Philippines Delayed

OW1303092392 Tokyo KYODO in English 0824 GMT 13 Mar 92

[Text] Manila, March 13 KYODO—Japan has delayed making a commitment on an expected 2 billion dollars in grants and loans to the Philippines until after the May general elections, a Japanese embassy official said Friday.

Kazuo Sunaga, first secretary at the embassy, said Japan needs to study "very carefully the economic policies of the new administration" before Tokyo makes a new infusion of Official Development Assistance (ODA).

Sunaga made the disclosure at the end of a two-day meeting in Hong Kong among Philippine officials, donor countries and multilateral financial institutions.

He said Tokyo will give 507 million dollars to Manila in transition financing for the Mt. Pinatubo rehabilitation program, grants from the Japan International Cooperation Agency, and aid for the country's energy sector.

Sunaga also said that Japan was unhappy with the use of its ODA grants to the Philippines, which might lead to less assistance in the coming years.

Japan has been the Philippines' biggest source of grants and low-interest loans in the past year.

Lower House Session Approves Ueno's Resignation

OW1303090392 Tokyo KYODO in English 0838 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—The House of Representatives on Friday approved the resignation of Kenichi Ueno, a Social Democratic Party (SDP) house member, who has acknowledged receiving millions of yen from a resort developer whose owner [word as received] was arrested on suspicion of possessing stimulants.

The approval came at a plenary session of the lower house, one day after Ueno tendered his resignation to the chamber where he held a seat.

The SDP also accepted Ueno's offer to leave the party at an emergency meeting Wednesday. He was elected from the No. 1 Chiba constituency in Chiba Prefecture.

Ueno told SDP leaders earlier that he had asked the Tokyo-based resort development company Mariya to purchase 3.4 million yen worth of fund-raising party tickets for another legislator.

He also acknowledged asking the company for other favors, including the right to rent two houses in Chiba Prefecture, for an unusually low price of 300,000 yen a month.

Firm Reportedly Gave 215 Politicians 'Donations'

OW1303085792 Tokyo KYODO in English 0819 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—As many as 215 Diet members received 98 billion yen in donations from the Sagawa Kyubin Group of parcel delivery firms, a political commentator said Friday.

Hisashi Kikuchi, speaking at the Foreign Correspondents' Club of Japan, said, "Two hundred and fifteen parliamentarians are about one-third of the entire House of Representatives and councillors members in the Diet."

Kikuchi said he obtained the figure in a four-hour interview with Kiyoshi Sagawa, chairman of the Sagawa Kyubin Group, last fall.

Kikuchi is a former reporter for the YOMIURI SHIMBUN, and is well known as a commentator and a columnist analyzing money politics in Japan.

Of the 215 Diet members, three accepted at least 10 billion yen each from Japan's second largest trucking firm, said Kikuchi. He said 56 received more than 100 million yen each from the company.

Prosecutors arrested three former executives of Tokyo Sagawa Kyubin Co., one of the Sagawa Kyubin Group companies, and another businessman, on February 14 on suspicion of financially damaging the company in connection with a massive loan scandal. There are allegations the scandal involves politicians.

"The Sagawa Kyubin scandal is an incomparably large one, compared with 3 billion yen donated to politicians in the Lockheed scandal and 1 billion yen in the Recruit scandal," Kikuchi said.

Kikuchi said politicians are pressuring prosecutors not to thoroughly investigate the scandal.

SDP Chairman Denies Report

OW1303120992 Tokyo KYODO in English 1138 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Social Democratic Party (SDP) chairman Makoto Tanabe on Friday denied a report of a Japanese photo magazine alleging that he had received political donations from the scandal-tainted Sagawa Kyubin trucking company group.

"(The report) is utterly groundless...I feel angry about it," Tanabe said at a meeting with reporters in the Diet building.

The mass-circulation magazine FOCUS carried the article linking Tanabe with Sagawa Kyubin, along with his picture, in its latest issue, on sale Friday.

Earlier in the day, the SDP convened a meeting of its executives at its headquarters in Tokyo and decided to immediately initiate judicial proceedings against the magazine's publisher, Shincho Sha Co., according to party officials.

In the article, FOCUS said Tanabe once served as a liaison between the ruling Liberal Democratic Party and SDP legislator Ryoichi Yasutsune over his Diet questions on matters related to Sagawa Kyubin.

The magazine said that a letter had been sent to a certain newspaper from a reader, saying the trucking company had made a 30 million yen political donation to Tanabe's political organization.

Yasutsune, an SDP member in the House of Councillors, has admitted that he borrowed 5 million yen in June 1989 from a Fukuoka-based subcontractor of the Sagawa group.

However, he categorically denied press reports that the company urged him to tone down his Diet questions in the Transport Committee of the upper house.

Yasutsune said he had called for an improvement of the firm's prospectus even after he borrowed the money from the company and insisted that he had not softened his investigation of the group.

Yasutsune also admitted he was acquainted with Hiroyasu Watanabe, former president of Tokyo Sagawa Kyubin Co., Japan's second-largest trucking and parcel delivery company, currently at the center of a massive loan and loan guarantee scandal.

Prosecutors last Friday indicted Watanabe and three others on charges of aggravated breach of trust which resulted in a 64.5 billion yen loss for the parcel delivery company.

Proposals for Electoral System Changes Compiled

OW1203230792 Tokyo KYODO in English 1512 GMT 12 Mar 92

[Text] Tokyo, March 12 KYODO—The ruling Liberal Democratic Party compiled Thursday proposals to cut the number of seats in the House of Representatives while easing the disparity between the value of urban and rural votes, LDP officials said.

The panel of LDP legislators also put forward proposals to forgo a proposed redistricting of electorates, while deciding to seek opposition parties' opinions on the suggested elimination of two-seat and six-seat constituencies, the officials said.

However, the LDP Electoral System Council stopped short of saying how many seats should be dropped from the 512-seat lower chamber to whittle down the large imbalance of vote values.

Some LDP politicians, however, are calling for limiting the proposed reduction to only 1 seat in view of LDP Vice President Shin Kanemaru's earlier remarks criticizing a large cutback, the officials said.

Hajime Ishii, head of the LDP panel, told reporters it would add the final touches to the proposals "after hearing opinions from our party's politicians well."

The proposals were sketched out at a meeting of the panel Thursday afternoon at the LDP headquarters in Tokyo.

However, one panelist blasted them for lacking specifics and noted the grave need to correct the vote disparity, the officials said.

In the lower house, the value of one rural ballot is roughly equivalent to three urban votes.

KYODO NEWS SERVICE calculations show if four urban seats are added and five rural ones eliminated under constraint of the increasingly popular 511-seat idea, the average disparity would be eased somewhat to 2.96 to 1.

If 13 new seats are introduced at the expense of an existing 14, the ratio would become 2.5 to 1, according to the calculations.

The LDP panel's proposals follow successive defeats in two by-elections, dealing heavy blows to Prime Minister Kiichi Miyazawa's four-month-old administration, already in disarray over twin money scandals implicating several politicians, business firms, and some gangsters.

Ishii said if parliament tries to reduce the disparity to 2 to 1, it would affect an even greater number of constituencies and fuel dissent from politicians whose careers would be affected.

The Supreme Court has ruled that a more than three-to-one disparity is unconstitutional, as such an imbalance defeats the principle of equality of citizens.

If the disparity is to be softened to 2-1, it would mean taking away one seat from several three-seat constituencies and tacking on one seat to several five-seat constituencies, the KYODO calculations show.

That would have the effect of increasing the number of two-seat and six-seat constituencies in contravention of a 1986 Diet resolution that called for minimizing such constituencies.

LDP Compiles, Unveils Political Reform Outline

OW1303122392 Tokyo KYODO in English 1203 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—The ruling Liberal Democratic Party (LDP) on Friday unveiled the basic outline of its proposed political reform, including measures to reduce the number of seats in the House of Representatives and ease the disparity between the value of urban and rural votes.

The outline, however, stops short of saying how many seats should be dropped from the 512-seat powerful lower house to whittle down the large imbalance in vote values.

It does say that the maximum value of a rural vote relative to an urban vote in elections for the lower house should be gradually reduced to about 2 to 1 from the current 3.38 to 1.

The Supreme Court has ruled that a disparity of more than three-to-one is unconstitutional, as such an imbalance defeats the principle of equality of citizens.

The outline also calls for a ban on political donations to individual politicians and legislation to force disclosure of personal assets of all Diet members.

Under the current system, only the assets of cabinet ministers and parliamentary vice ministers are made public after they assume and quit those posts.

Under the LDP proposals, the civil rights of a lawmaker would be suspended, with a period of probation, if the politician receives a suspended jail sentence or heavier penalty on a bribery charge.

The report on the basic political reform measures was submitted on Friday to Prime Minister Kiichi Miyazawa, who also serves as LDP president, by Takashi Hasegawa, chief of the party's Political Reform Headquarters.

After receiving the report, Miyazawa told reporters that he will hand it over to the LDP leadership with a view to pushing ahead with reform.

The LDP and opposition parties are expected to resume discussions on the matter by the end of this month in a joint consultative body which was set up in October after three earlier government-proposed bills on political and electoral reforms were scrapped in the Diet due to strong criticism from both ruling and opposition parties.

The failure of the bills led former Prime Minister Toshiki Kaifu to give up his bid for reelection as LDP president, a post which carries with it the premiership.

Miyazawa was at first reluctant to pursue political reform, including measures to change the current election system, when he replaced Kaifu as prime minister in November.

He expressed his resolve to move on reform in February, however, in an apparent effort to shore up drastically waning public support for his government.

The opposition groups have also stepped up their demand for political reform in the wake of a series of political scandals, including one which led to the indictment of a former cabinet minister.

The negotiations on reform between the ruling and opposition parties are expected to face rough going because of their differences on such issues as a measure to rectify the number of lower house seats, political analysts said.

Cabinet Decides on Financial Reform Bills

OW1303010192 Tokyo KYODO in English 0051 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Prime Minister Kiichi Miyazawa's cabinet Friday decided on a set of financial reform bills intended to review Japan's financial and securities systems and promote fair competition, officials said.

The bills, decided on during a cabinet meeting, propose the revision or repeal of 16 laws including the Banking Law, the Securities and Exchange Law, and the Merger and Conversion Law, the officials said.

The new measures are expected to be submitted to the current Diet session, they said.

The officials said the major points of the proposed bills include:

—authorization of mutual entry into each other's spheres by holding companies and their subsidiaries, provided that the companies hold more than a 50 percent share of the subsidiary.

—authorization of the conversion of long-term credit banks, specialized foreign exchange banks or the Bank of Tokyo, and workers' credit unions into commercial banks, as well as authorization of mergers between financial institutions of different types.

—relaxation of regulations to allow regional financial institutions such as agricultural cooperatives to be engaged in foreign exchange business.

The proposals also prepared protection provisions for users and investors, including:

—regulation of large-lot credit supply by regional financial institutions and the requirement that they disclose management information.

—requirement that institutions disclose information when private bonds are circulated to more than 500 investors.

Ministry Official Negative on Imminent Rate Cut

OW1303112892 Tokyo KYODO in English 1031 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—A top Finance Ministry official on Friday took a dim view on cutting the official discount rate at the moment, saying the effects of the past three rate cuts should be assessed.

Speaking at a press conference, Vice Finance Minister Hiroshi Yasuda said the ministry continues to watch the effects of the past three discount rate reductions.

The discount rate is a fee the central bank charges on its loans to commercial banks. It now stands at 4.5 percent per annum after being lowered by half a percentage point last December 30.

Turning to a set of economic stimulative measures to be discussed by the government, Yasuda suggested such measures might be smaller in scale than similar steps in the past, saying the current economic slowdown is different from past recessions.

Yasuda also said it is necessary to monitor tightness in the construction workers' labor market before advancing the schedule for public works spending under the fiscal 1992 budget.

The government is considering advancing the schedule as one of possible steps to prop up the economy.

Tokyo Working on Business Stimulation Policy

OW1303133692 Tokyo KYODO in English 1146 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—The government on Friday started working out a broad business stimulation policy, including both fiscal and monetary measures, officials said.

They said the policy may be announced in early April before Diet passage of the fiscal 1992 budget bill, which was approved by the House of Representatives on Friday.

The government is expected to take into account the Bank of Japan's monetary policy and scheduled budget proceedings in the House of Councillors in working out the new policy.

The Finance Ministry is concerned that excessive economic incentives could rekindle the speculative "bubble economy" with skyrocketing stock and real estate prices, the officials said.

The policy will be based on a recently announced package of five pump-priming measures to shore up the slowing economy, the officials said.

Under the policy, 75 to 80 percent of the scheduled fiscal 1992 public works projects will be implemented early and capital spending by electric power utilities increased to 4.5 trillion yen by 260 billion yen from the initial plans, the officials said.

As part of the economic incentives, the central bank is expected to cut the official discount rate by 0.5 percentage point to an annual 4.0 percent soon, possibly before the end of March, they said.

The rate is charged by the central bank on its loans to commercial banks.

Survey: Firms To Step Up Building of Plants

OW1303074992 Tokyo KYODO in English 0657 GMT 13 Mar 92

[Text] Tokyo, March 13 KYODO—Japanese companies are planning to expand their business through building of new plants, according to a survey released Friday by the Ministry of International Trade and Industry (MITI).

The survey, covering some 7,500 companies, found that they plan a record 1,603 cases of plant construction over the next three years, up 18.3 percent from the previous study.

A ministry official, briefing reporters on the study, conducted late last year for the first time in three years, said the findings lead him to think that the economy is not as weak as widely believed, though corporate managers surveyed recently were generally bearish on their business outlook.

"So, I think the potential demand for new plants is quite strong while many people expect a rough time over the next few years," he said. "It seems that companies want to go ahead with their plans if interest rates and other economic factors turn favorable."

A separate MITI survey said the number of plants built last year totaled 3,501, down 7.5 percent from a year earlier, covering 4,406 hectares of land, a 4.5 percent decline.

In contrast, foreign companies in Japan were still keen to expand, with 22 cases of new plant building and 50 cases of research center construction registered.

U.S. companies accounted for 15 of the 22 new plants, while Taiwanese firms reported two cases for the first time since the study was launched in 1967.

MITI To Seek Cut in Ozone-Damaging Chemical

OW1203091792 Tokyo KYODO in English 0859 GMT 12 Mar 92

[Text] Tokyo, March 12 KYODO—The Ministry of International Trade and Industry (MITI) will ask Japanese companies to redouble efforts to reduce their use of methyl chloroform, one of the chemicals researchers say is destructive to the ozone layer, ministry officials said Thursday.

The ministry will request Japanese manufacturers and importers to cut production and import of the chemical by 15 percent this year from the previous year. Users of the product will also be asked to cut their consumption, the officials said.

The substance, widely used as a cleaner by the automobile as well as machinery and information-related industries, is one of the chemicals to be phased out between 1993 and 2005 under the revised Montreal protocol on substances that deplete the ozone layer.

But since the ozone layer has depleted at such a rapid pace, calls have been mounting for speeding up the phase-out of the damaging product, they said. The Montreal signatories are expected to agree to advance the deadline at their next meeting in November this year.

The Japanese industry, however, has failed to catch up with the international move, and methyl chloroform consumption has been increasing in the past few years, the officials said.

In 1991 the use of the chemical in Japan jumped 15 percent from 1989 to 200,000 tons, making Japan the second-largest consumer of the product in the world following the United States.

The sluggish reduction is partly due to technological difficulties in developing substitute chemicals, the officials said.

They also pointed out that most users are small and medium-scale companies, a major factor that is hampering the phase-out.

North Korea

U.S. 'Secret' Nuclear Depot Denounced

SK1303110092 Pyongyang KCNA in English 0958 GMT 13 Mar 92

["True Color of Nuclear War Servant Cannot Be Veiled"—KCNA headline]

[Text] Pyongyang March 13 (KCNA)—After former honorary president of the Hyundai Business Group Chong Chu-yong stated that he had undertaken the construction of a secret nuclear arsenal, it has become needless to argue as to the fact that the U.S. imperialists and the South Korean authorities have brought large quantities of nuclear weapons into South Korea and are keeping them in secret arsenals, says NODONG SINMUN.

In a by-lined article titled "True Color of Nuclear War Servant Cannot Be Veiled" the paper says the recently revealed secret is no more than the tip of the iceberg.

It further says:

The fact that U.S. nuclear bases and nuclear arsenals had been built in secrecy in different parts of South Korea and many nuclear weapons stockpiled there had been exposed through various channels.

The U.S. imperialists and the South Korean authorities did not hesitate in bringing into South Korea neutron bombs rejected worldwide as "devilish bombs". A unit in charge of the control of nuclear weapons is based in Kwangju, South Korea, and many special nuclear arsenals were built in Ulsan, Osan, Kunsan, Kongju and other areas. Nuclear weapons have been deployed densely in extensive areas from Munsan and Tongduchon, Kyonggi Province, adjacent to the Military Demarcation Line area to Seoul and Taejon and even to Mosulpo on Cheju Island to form a large network of nuclear bases and turn the whole land of South Korea into a "nuclear jungle" packed with nuclear weapons.

Citing materials showing that though many nuclear weapons have been introduced and deployed in South Korea and underground nuclear arsenals built there in secrecy, the U.S. imperialists and the South Korean authorities have tried to cover them up, the paper notes:

It is shameless of the South Korean chief executive to declare the "absence of nuclear weapons in South Korea", with U.S. nuclear weapons stockpiled in the secret arsenals. It was a trick to quiet voices of people at home and abroad for the denuclearization of the Korean peninsula and fool people into believing that they are interested in the denuclearization of the peninsula. It was also motivated by a sinister intention to launch an

anti-DPRK campaign under the pretext of the fictitious "nuclear threat from the North".

At the North-South contact the South Korean authorities have insisted on "trial inspection" of some areas in a bid to exclude the U.S. nuclear bases and nuclear weapons from inspection, afraid that the U.S. nuclear weapons hidden in South Korea should be unveiled.

The U.S. imperialists and the South Korean authorities are now urging us to accept a "nuclear inspection" because we are "developing nuclear weapons", while keeping nuclear weapons in their secret arsenals. This is a shameless act reminding us of a thief crying "stop thief!"

The denuclearization declaration adopted and published by the North and the South with a view to removing one of the most dangerous hotbeds of nuclear war in the world must never be reduced to nil.

The South Korean authorities must no longer follow the U.S. imperialists' policy of nuclear war but take the stand of honestly implementing the joint declaration on the denuclearization of the Korean peninsula and the North-South agreement.

Withdrawal of 'Concealed' Nuclear Weapons Urged

SK1303055392 Pyongyang KCNA in English
0445 GMT 13 Mar 92

["United States Must Not Kick Up 'Nuclear Threat' Row"—KCNA headline]

[Text] Pyongyang March 13 (KCNA)—The United States must not raise outcries over the "threat of nuclear development" by the DPRK but withdraw its nuclear weapons concealed in South Korea without delay and do things helpful to the denuclearisation of the Korean peninsula, says NODONG SINMUN in a commentary today.

The news analyst says:

The U.S. military circles are now resorting to military threats to us, crying that the DPRK would make "nuclear explosion device" within a few years and its "nuclear development program" is a "threat" to peace and security in the Asia-Pacific region. This is a nonsensical racket.

As the world recognizes, we do not need nuclear weapons and have neither will nor capacity to make them. We declared this more than once.

Nevertheless, the U.S. brasshats continue raising a dust over our "nuclear development program," a total fiction. No one can regard this as an act of those with sound thinking power.

Their allegation that we are stepping up a "nuclear development program" is a groundless charge and a vicious challenge to us. By misleading public opinion by all means to believe that we continue developing nuclear weapons, the U.S. military circles seek to incite distrust and hostile feelings against us among the people and thus impair the peaceloving image and international prestige of our Republic and isolate it. And they intend to maintain confrontation by throwing a wet blanket over North-South dialogue and spoiling the new atmosphere of reconciliation which is being created on the Korean peninsula. By inventing another fiction of the threat of "nuclear development", they seek to use it as a pretext to keep the U.S. forces in South Korea and ignite another war against the North by creating tensions on the Korean peninsula.

The U.S. persistent resort to the policy of confrontation of strength will not be good for world peace and for the United States itself.

Spokesman Criticizes 'Ill-Boding Moves' in ROK

SK1303052992 Pyongyang KCNA in English
0501 GMT 13 Mar 92

[Text] Pyongyang March 13 (KCNA)—A spokesman for the Foreign Ministry of the DPRK Thursday [12 March] gave the following answers to questions raised by KCNA concerning the undisguised moves of the U.S. imperialists and the South Korean authorities to increase tension of the Korean peninsula:

Ill-boding moves have been noticed one after another in South Korea spoiling the atmosphere of inter-Korean high-level talks which has been created with so much efforts and aggravating tension and confrontation.

According to reports, the U.S. imperialists and the South Korean authorities continue military manoeuvres of all arms and services on the ground and sea and in the air of South Korea even after "Agreement on Reconciliation, Nonaggression, Cooperation and Exchange Between the North and the South" was adopted and came into effect.

Military sources conclude that such military exercises have been staged in place of the "Team Spirit" joint military manoeuvres which the United States and the South Korean authorities announced they would suspend this year.

From mid-January this year the United States and the South Korean authorities have escalated various kinds of exercises such as joint aerial exercises, landing exercises, commando exercises and electronic aerial warfare exercises on some 20 occasions with the mobilization of a total of 15,000 warplanes and huge military hardware and combat technical equipment.

It is only too clear that provocative military rehearsals against the dialogue partner cannot favourably affect the relaxation of tension and the improvement of relations.

We think that the United States and the South Korean authorities themselves admit this.

It is well evidenced by the fact that they acceeded to our demand for the stoppage of the "Team Spirit".

After announcing the suspension of the "Team Spirit, however, they are now stating other large-scale military exercises instead. How should their intentional and premeditated war racket be interpreted?

In less than one month after the inter-Korean agreement was adopted and came into effect, the South Korean authorities have brought into South Korea large quantities of mass destruction weapons and sophisticated combat equipment from France, Britain and other countries, which include nearly 1,000 ground-to-air missiles and 20 trainer planes.

After they promised reconciliation, nonaggression, cooperation and exchange between the North and the South under the eyes of the world, they continue large-scale military exercises against fellow countrymen in league with outside forces, while bringing huge quantities of military hardware and mass destruction weapons from other countries. We cannot but ask them why.

It is our consistent stand that the inter-Korean agreement solemnly signed by the North and the South before the whole nation should not be reduced to a sheet of paper.

At a time when large-scale military manoeuvres contrary to the provisions of the agreement are going on ceaselessly in South Korea, some people of the United States are spreading the rumor that the DPRK "may produce nuclear weapons in a few months" and blaring that they have a "plan to destroy North Korea's military power", trying to justify the presence of the U.S. forces in South Korea.

This shows that some circles of the United States have the intention to lull public opinion calling for the reduction of military spendings internally and find a new pretext for a long-term presence of the U.S. forces in South Korea externally by inciting the war fever at any cost.

We consider that there is no ground to keep the U.S. forces in South Korea since the wall of East-West confrontation collapsed in the international arena and an agreement on nonaggression was adopted between the North and the South of Korea.

The South Korean authorities must stop acting rashly, mindful of what grave consequences the adventurous military exercises they are staging against fellow countrymen under the baton of outside forces would entail.

South's 'Deaf Ear' to 'Essential Issues' Berated

SK1203134392 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 11 Mar 92

[Commentary by station commentator Yun Pyong-son: "The South Side Should Take a Correct Stance and Attitude Toward Dialogue"]

[Text] People all over the world support and welcome the North-South agreement for peace and reunification and the joint declaration of denuclearization on the Korean peninsula, where confrontation existed ,and over which the danger of war hovered. They sincerely hope that the North-South agreement and the joint declaration of denuclearization will be put into practice as soon as possible.

All of the fellow countrymen in the North, the South, and overseas, who have a direct interest in peace and reunification, desire the day when they can lead a happy life in a peaceful and reunified country. They sincerely want the documents of agreement to be put into practice.

Since the agreement came into effect, the one round of the political subcommittee of the North-South high-level talks and the six rounds of delegates' contacts to negotiate the issue of forming and operating the North-South joint nuclear control committee have been held. However, enough progress has not been made to meet the expectations and desire of people at home and abroad. This is entirely due to the South side's wrong stance and attitude toward dialogue.

Proceeding from the sincere stance to make fellow countrymen happy, and to open a phase for peace and reunification of the country by using all means to achieve results through dialogue, we have put forward reasonable and aboveboard proposals at the political subcommittee and at the delegates' contacts. Our efforts so far have been sincere.

The South side, however, has come to the conference room empty-handed and without being prepared, as it did at the political subcommittee. It has raised secondary issues in the conference room, while turning a deaf ear to essential issues. Thus, it has only created stumbling blocks to resolving an issue.

At the delegates' contacts to negotiate forming and operating the North-South joint nuclear control committee, the South side has objected to our side's claim that the content on nuclear weapons and nuclear bases be stipulated in the draft agreements. Rather, the South side claimed that a trial inspection should be conducted. This is an actual and representative example.

As everyone knows, approximately 1,000 U.S. nuclear weapons and nuclear bases had been put in South Korea, causing our people to suffer from the danger of a nuclear war for approximately 30 years.

The United States said that it has withdrawn its nuclear weapons from South Korea, and the South Korean person in authority declared that there are no nuclear weapons in South Korea. However, we cannot be sure if nuclear weapons and nuclear bases have been really withdrawn and removed or if they still remain. If there are no nuclear weapons and nuclear bases in South Korea, there is no reason for the South side to object to writing this in the agreement.

Furthermore, after the person who was in charge of constructing a storage depot for nuclear weapons revealed its existence in South Korea, it is natural that the issue of nuclear weapons and nuclear bases should be clearly stipulated in the agreement. It is also natural that overall inspection should be made on all targets, not just one or two.

The South side has come empty-handed to the dialogue, and it has adhered to secondary issues, turning a deaf ear to essential issues. We cannot regard this as an attitude conducive to progress. The South side has unreasonably called for so-called nuclear inspection of us, and it has tried to put up a hurdle to discussing the issue. This also shows the South side's unreasonable attitude and stance toward dialogue.

As for a nuclear inspection, as we already declared, everything has been smoothly settled according to procedure. Therefore, there is no reason for the South side to raise the issue of a nuclear inspection of us.

Nevertheless, the South side has taken issue with us in the conference room, while talking about a nuclear inspection. This is intervention in internal affairs. This is not only a challenge to a partner in dialogue, but a betrayal to the agreement.

Various facts clearly show that even though the South side comes to dialogue, it has not relinquished a sycophantic spirit, and it tries to delay putting the agreement into practice.

One side's efforts cannot achieve progress in the dialogues. If the North-South agreements are to be put into practice, both sides should adopt the correct stance and attitude toward dialogue. The past days have proved this, evidenced by no results from the dialogues.

Because the North and the South confirm the end of confrontation, reconciliation, and nonaggression, the South side should give up its dependence on foreign forces. The South side should sincerely come to the dialogues with a spirit of national reconciliation and unity. All of the fellow countrymen, hoping that the agreement and the joint declaration will be put into practice, will constantly watch the South side and will never tolerate its wrong stance and attitude.

South 'Obstructing' Solution to Nuclear Issue

SK1303061992 Pyongyang KCNA in English 0437 GMT 13 Mar 92

["Deliberate Act of Obstructing Solution of Nuclear Problem"—KCNA headline]

[Text] Pyongyang March 13 (KCNA)—The South Korean authorities, raising a hue and cry over "nuclear threat" from the North and its "delay of inspection" after the effectuation of the North-South agreement and the joint declaration on denuclearisation, contend that nothing can be done unless this problem is solved. Commenting on this, a NODONG SINMUN analyst today says: This makes it plain that they, in actuality, have no intention to solve the question of denuclearisation.

Noting that the sinister intention of the South side lacking the intention to solve the question of denuclearisation is glaringly revealed in its opposition to the formation of the Nuclear Control Joint Committee itself, the analyst goes on:

If the nuclear problem including simultaneous nuclear inspection is to be solved, the North-South Nuclear Control Joint Committee must be formed. The formation of the joint committee before March 18 through contacts of delegates is a provision of the joint declaration made by North and the South at home and abroad. It cannot be construed otherwise than a deliberate act of obstructing the formation of the joint committee that the South side opposes the adoption of a concrete annexed agreement under a ridiculous pretext at a time when the Nuclear Control Joint Committee must be formed in a short time.

The untenable attitude of the South side not interested in denuclearising the Korean peninsula is also vividly revealed by its attempt to exclude the U.S. nuclear weapons and bases from inspection.

The actual nuclear threat on the Korean peninsula is attributed to the U.S. nuclear weapons and bases in South Korea. The South Korean authorities, however, desperately oppose the inspection of the U.S. nuclear weapons and bases in South Korea, while loudly crying for "nuclear inspection" of the North which has no nuclear weapons. If they truly want the denuclearisation of the Korean peninsula and it is true that there is no U.S. nuclear weapons in South Korea, why do they object so obstinately to a full-scale, simultaneous inspection?

This cannot be interpreted otherwise than that the U.S. nuclear weapons are hidden in secret arsenals in South Korea.

Their outcry over "delay of inspection" and "time limit of inspection" is motivated by their criminal intention to do harm to us, in league with foreign forces.

If the South Korean authorities truly have the willingness to implement the North-South agreement and the joint denuclearisation declaration, they should not provoke us, but adopt measures to totally open to the public the nuclear bases of the U.S. forces in South Korea and get their nuclear weapons withdrawn from there and show a sincere stance to form the Nuclear Control Joint Committee at an early date and accept a full-scale inspection.

'Stalling Tactics' Criticized

SK1303043492 Pyongyang Korean Central Broadcasting Network in Korean 0022 GMT 13 Mar 92

[NODONG SINMUN 13 March commentary: "Deliberate Act of Obstructing the Resolution of the Nuclear Issue"]

[Text] The South Korean authorities are resorting to deliberate stalling tactics to obstruct the resolution of the nuclear issue. As is known, after declaring the effectuation of the North-South agreement and the joint denuclearization declaration with us in the sixth North-South high-level talks, the South Korean authorities unilaterally found fault with the North by mentioning its nuclear threat or delaying of inspection, threatened us with outside forces, and irresponsibly said that unless the nuclear issue is resolved, no agreement or anything can be implemented.

Even at contacts of the two sides' delegates to discuss the formation and operation of the North-South Joint Nuclear Control Committee and subcommittee meetings to implement the North-South agreement, they insist on nuclear inspection, a time limit, and other very preposterous and shameless proposals, thus building an artificial obstacle in the discussion of issues. In this way, the South Korean authorities themselves have shown that they have no intention of resolving the denuclearization issue in reality, even though they are babbling about a nuclear threat.

This dark design of the South side is shown in the fact that it opposes the formation of the Joint Nuclear Control Committee itself. The North-South Joint Nuclear Control Committee must be formed to resolve the nuclear issue, which includes simultaneous nuclear inspection. Inaugurating the Joint Nuclear Control Committee before 18 March through delegates' contacts is contained in the joint declaration [on the denuclearization of the Korean Peninsula], which the North and South announced at home and abroad. The North and South discussed this issue on numerous occasions at contacts of the two sides' delegates and are about to draft and initial an agreement based on issues on which they have agreed.

At a time when the Joint Nuclear Control Committee must urgently be inaugurated, the South side opposes the adoption of a specific auxiliary agreement under a groundless pretext. This cannot be considered anything other than a deliberate act designed to frustrate the joint committee's inauguration.

The unjust attitude by the South side, which is not interested in denuclearizing the Korean peninsula, is also clearly shown in the fact that it is trying to exclude the U.S. nuclear weapons and nuclear bases from inspection. The real nuclear threat on the Korean peninsula comes from the U.S. nuclear weapons and nuclear bases in South Korea. However, the South Korean authorities are babbling about the nuclear inspection of the North, which has no nuclear weapons, and are stubbornly opposing the inspection of the U.S. nuclear weapons and nuclear bases in South Korea.

As recently disclosed, it is a stark fact that there are secret U.S. nuclear depots in South Korea. Therefore, the commander of the U.S. Forces in South Korea, could not answer whether there are nuclear weapons in South Korea at a hearing in the U.S. Congress.

If the South Korean authorities truly have the intention of denuclearizing the Korean peninsula and if there are no nuclear weapons in South Korea, then why do they so strongly oppose full simultaneous inspection? At a contact of the two sides' delegates, a delegate from the South side made very arrogant, uncourteous remarks defiling the other side of the dialogue. He had a fit when he was dumbfounded at our side's reasonable logic. This, too, was a mean, eccentric act committed because he even lost his reason while desperately trying to justify his side's unjust attempt to delay the implementation of the joint denuclearization declaration.

While kicking up commotions to conduct nuclear inspection of us, the South Korean authorities are trying to exclude the U.S. nuclear weapons and nuclear bases from inspection. This cannot be judged as other than that they have the U.S. nuclear weapons hidden in nuclear depots in South Korea. Even after having offered South Korea as a U.S. nuclear base, they find fault with us by mentioning the delaying of an inspection or a time limit for an inspection. They are doing so out of a criminal attempt to harm us with outside forces. The South Korean authorities are doing this about the nuclear issue, needless to say, at the instruction of the United States, which is seeking the eternal occupation of South Korea by U.S. forces and which is trying to maintain its nuclear bases there.

If the South Korean authorities truly intend to implement the North-South agreement and the joint denuclearization declaration, they must fully open the U.S. forces' nuclear bases in South Korea and withdraw the nuclear weapons in storage and assume a sincere attitude to form the Joint Nuclear Control Committee at the earliest possible date and accept full inspection, instead of trying to provoke us by mentioning nuclear inspection or a time limit.

U.S. 'Cultural Infiltration' Criticized

SK1303050792 Pyongyang Korean Central Broadcasting Network in Korean 0013 GMT 13 Mar 92

[NODONG SINMUN 13 March special article: "Ideological and Cultural Infiltration—A Crafty Imperialist Technique of Aggression"]

[Text] The great leader Comrade Kim Il-song has taught: The imperialists are maneuvering to bring the socialist countries back to capitalism by paralyzing the people's revolutionary consciousness through ideological and cultural infiltration, by buying them off economically using aid as bait, and by instigating the antisocialist elements to create social and political chaos.

The imperialists, attempting the realization of their global domination by obliterating socialism and reviving the colonial system as their strategic objective, are now leaving no stone unturned to realize this. One such

means is that they are more persistently clinging to the technique of undermining and subverting socialist countries and other independent countries from within through ideological and cultural infiltration.

Ideological and cultural infiltration is a hackneyed technique the imperialists have often employed to invade, plunder, and dominate other countries. Imperialist ideology and culture are a reactionary ideological poison that paralyzes the people's ideological awareness and consciousness of independence.

The imperialists are trying to subvert and degenerate the socialist countries from within by paralyzing the consciousness of independence of the working people, the driving force behind the revolution, through the infiltration of the reactionary ideology and culture, enervating them and making them ignorant. The imperialists are trying to subvert and degenerate the socialist countries from within by encouraging them to entertain illusions about capitalism and foster a strong-eat-the-weak outlook on life.

The imperialists' technique of ideological and cultural infiltration is a major component of their policy of aggression, plunder, and domination, along with their unabashed policy of strength and economic subjugation and other such methods.

In their ideological and cultural infiltration, the imperialists keep concentrating their strength primarily on propagating and spreading reactionary ideology. They are bent on contaminating the people with grief, pessimism, and an extreme form of individualism and egoism by spreading the poisonous bourgeois ideology embellished with all manner of sweet-sounding words, while trying to disarm them ideologically by making them captives of an assortment of reactionary ideological currents, such as existentialism and pragmatism. They also try to create in society a state of anarchy and chaos by spreading such reactionary theories as what is known as the multiparty political system, liberalization of ideology, and diversification of ownership. At the same time, the imperialists are trying to have immorality and a lapse of virtue prevail, to make the people contract mental illness, and to keep them from fostering a sound way of thinking and acting by spreading the reactionary culture and bourgeois modus vivendi.

If and when one becomes addicted to the imperialists' reactionary ideological poison, it will wither national culture and paralyze the consciousness of national independence and revolutionary consciousness, leaving one no choice but to allow the decadent reactionary culture and modus vivendi to replace them.

The imperialists find the primary target for their ideological and cultural infiltration in the socialist countries. Their ideological and cultural offensive against socialism began a long time ago.

The warmaniac Dulles, insisting that one needs to believe in the effectiveness of psychological pressure and propagandist pressure in subverting the socialist countries from within, already in the mid-1950s called for reinforced ideological and cultural infiltration into the socialist and progressive countries. Since that time, the ideological and cultural infiltration into the socialist countries has continued persistently.

Claiming that the United States is the victor in the cold war against socialism, the U.S. imperialists see the psychological and propagandist pressure carried out in the form of the reactionary ideology and culture as one of the major factors contributing to this victory and attach greater importance to the ideological and cultural infiltration.

According to the strategy of peaceful transition, the U.S. imperialists and the propaganda means they sponsor are now babbling about the crisis facing socialism and the superiority of capitalism and speaking ill of the party's leadership and the democratic centralized power's guidance over the socialist revolution and construction, while making it their business to fabricate falsities and distort facts to make freedom, human rights, and democracy appear to be trampled underfoot in socialist societies.

The imperialists are persistently carrying out the ideological and cultural offensive according to a long-term goal. They have directed the brunt of their ideological and cultural infiltration primarily at youth and students in particular, arguing that even if it fails to become effective in the current generation, it will become so in the next generation.

In a bid to realize their ideological and cultural infiltration, the imperialists are employing all manner of ways and means. Under the pretext of cultural exchange, they infiltrate not only such decadent literature and arts, including reactionary films, music, and dances, and reactionary publications, but they also are enthusiastic about infiltrating the reactionary ideology and culture into the socialist and independent countries with an assortment of propaganda means, including what are known as information centers, cultural centers, and broadcasting stations scattered around the world. They attach great significance to the ideological and cultural infiltration through mass propaganda means and literary and artistic works in the belief that films, broadcasts, TV, a variety of audio and video tapes, newspapers, magazines, books, and advertisements are capable of reaching a large number of people and that they have great influence and pull on the people's psychology and emotion.

The U.S. Central Intelligence Agency, which is in direct charge of the ideological and cultural infiltration, is spreading the reactionary ideology and culture through about 800 kinds of mass media, such as newspapers, news agencies, and magazines at its disposal.

The U.S.I.S [preceding acronym in English] news agency is devoted to unleashing malicious slander and calumny and false propaganda about socialism through about 200

branches in over 100 countries throughout the world, while the Voice of America spends more than 14 hours a day on such propaganda.

Even the U.S. newspaper THE WASHINGTON POST once wrote that the level of defamation about socialism is the yardstick by which to measure the broadcasting stations' capabilities.

The U.S. imperialists are now augmenting the number of broadcasting stations devoted to heaping slander and calumny upon socialism. The move to establish what is known as Free Asia Radio is a case in point.

The U.S. imperialists value the so-called peacekeeping force in the ideological and cultural infiltration. Believing that 10 peacekeeping force volunteers can do what even 100 aircraft are unable to, they concentrate great effort on spreading the reactionary ideology and culture via the peacekeeping force recently established under the direct control of the U.S. Defense Department and the recently fabricated Peace Corps.

Under the pretext of personnel exchange and development, the U.S. imperialists use a detached force consisting of people who hide themselves behind the veils of teachers, medical doctors, men of letters, technicians, and scientists as the disseminators of the reactionary ideology and culture in many foreign countries. What is more, they are trying to have their representatives abroad and correspondents traveling around the globe spread their reactionary ideology and culture and let the wind of liberalization blow.

The number of people working at the U.S. imperialists' antisocialist strategic institutions is about 400,000, and the expense for their operation totals $5 billion a year.

Facts show that without stopping the ideological and cultural infiltration of the imperialists, it is impossible to defend the revolutionary gains or advance the socialist cause.

Countries involved in the revolution should wage a strong struggle against the imperialist ideological and cultural infiltration.

National Economy Said Achieving Constant Growth

SK1203152192 Pyongyang KCNA in English 1457 GMT 12 Mar 92

[Text] Pyongyang March 12 (KCNA)—Korea has recently adopted one more dramatic measure to sharply raise the wages of the entire workers, technicians and office workers and increase the income of the cooperative farmers.

This shows that great achievements have been made in socialist construction and the economic potentials of the country have grown sharply in recent years.

The national economy of Korea which is relying on its own technologies, resources and strength has achieved a constant growth, not affected by any economic upheaval.

The great leader President Kim Il-song has taught:

"Only when a nation builds an independent national economy can it secure political independence, make its country rich, strong and advanced, and achieve national prosperity."

President Kim Il-song, basing himself on the economic idea that he had and formulated in the ten-point programme of the Association for the Restoration of the Fatherland during the anti-Japanese revolutionary struggle, put forward the line of building an independent national economy after the liberation on August 15, 1945 and has wisely led the work for its implementation.

Notably the basic line of economic construction, the line of giving priority to the growth of heavy industry while ensuring a simultaneous development of light industry and agriculture, has been a firm guarantee for the building of an independent national economy.

After the war ceased in July 1953, the flunkeyists and dogmatists opposed the basic line, contending that never had any country enforced the line of the sort and asserted that everything should be turned to consumption.

The Korean people, however, firmly maintained the basic line of economic construction and thus established a system of independent national industrial system in a matter of 14 years and fulfilled the historical task of industrialisation under the wise leadership of President Kim Il-song.

In the 70s after the industrialisation the departmental structure of the economy has been brought closer to perfection with new industrial domains and many modern factories and enterprises built.

All the industrial domains entered a new stage of development and their independence and chuche character were strengthened as could be seen in the annual production of 30,000 machine tools and 10,000 trucks and tractors.

In that decade the average annual growth rate of industrial production was 15.9 percent and the rate of self-supply of raw materials and fuel stood at more than 70 percent.

The economy of Korea has developed at a faster speed after 1980.

The machine-building industry which indicates the level of the nation's industrial development began producing complete sets of equipment needed for metal, building-material and chemical factories, which included modern machines and equipment such as a 125,000 KVA hydraulic generator, an extra-large oxygen plant and a 10,000-ton press.

The proportion of home supply in machinery and equipment went up to 98 percent.

With a high level of automation and modernisation, the industries produced 7 million tons of steel a year, 85 million tons of coal, 55,500 million kwh of electricity, 13.5 million tons of cement and 5.6 million tons of chemical fertilizers and 10 million tons of grain was harvested in agriculture.

The potentials of the national economy are growing still further in the 90s.

The huge economic potentials have made it possible to construct the West Sea barrage of world standard in five years, build apartment houses for 50,000 families in Pyongyang in two years and push ahead with a simultaneous construction of some 1,000 major units.

South Korea

U.S. Move To Investigate Banks Stirs Debate

SK1303023192 Seoul YONHAP in English 0202 GMT 13 Mar 92

[Text] Seoul, March 13 (YONHAP)—The U.S. Internal Revenue Service's [IRS] request for permission to send auditers to the head offices of two South Korean banks—Cho Hung Bank and the Korea Exchange Bank—is stirring up debate among authorities here.

According to the Office of National Tax Administration (ONTA) and financial sources, as part of a tax investigation into the U.S. branches of the two banks launched in July last year, the IRS has asked the banks' head offices to send invitations so that it can confirm materials related to the branches' operations at the head offices.

The two banks, after months of hesitation, mailed the invitations in January.

Under an agreement between the Korean and U.S. tax administrations, each party may confirm materials at the head offices of the companies and banks involved upon the consent of the institutions involved and of the "authoritative offices."

For the on-the-spot probe of the two banks, the IRS must ask for permission of the Office of National Tax Administration and other authorities.

An ONTA official said the IRS had not yet officially requested permission to investigate the two banks.

"If a request is filed officially, we will study it," he said.

"When Regina Deanehan, assistant IRS commissioner for internatonal affairs, came here Feb. 28, she briefed us on the revised content of the enforcement decree of the Department of Treasury. The issue of auditing the two banks was not raised then," he said.

ONTA officials said efforts would be made to avoid an IRS investigation of the two banks, because it might become an unfavorable precedent in bilateral cooperation in the tax administration.

The IRS probe of the branches of Cho Hung and Korea Exchange Banks is focused on profit remittances to their head offices.

Government Plans Student Exchanges With U.S.

SK1303134292 Seoul YONHAP in English 1201 GMT 13 Mar 92

[Text] Seoul, March 13 (YONHAP)—The government decided Friday to set in motion some measures to further enhance mutual understanding between the peoples of Korea and the United States as part of its efforts to steadily strengthen Korea-U.S. relations.

The measures will include the promotion of students exchanges with the United States and mutual visits between local autonomy administration officials. A source said the students exchange programs, which have so far been concentrated on communist-bloc countries, would be focused on the United States from now on.

The decision was made at the fourth meeting of the committee for developing Korea-U.S. relations. The meeting, chaired by Foreign Minister Yi Sang-ok, was attended by vice ministers of 17 related government agencies.

The meeting agreed to use about 30 percent of this year's 10 billion won (13 million U.S. dollars) project budget of the newly founded Korea Foundation in supporting Korean studies in America and financing people's exchanges with the United States.

The Information Ministry, in particular, told the meeting it would open an information center in Washington in July this year to help the American press and people better understand things of Korea.

A Defense Ministry official said his office would review the plan to make public hitherto confidential statistical figures on the importation of American defense items in a move to promote public understanding of Korea-U.S. trade relations.

Defense Official on Cost of U.S. Withdrawal

SK1203121892 Seoul YONHAP in English 1128 GMT 12 Mar 92

[Text] Seoul, March 12 (YONHAP)—The 1993 share of Korea in the maintenance cost of the U.S. military here will be determined at a Korea-U.S. policy review subcommittee to be held in June, a Defense Ministry official said Thursday afternoon.

The official said that the schedule was agreed on during a call by visiting U.S. Ambassador at Large Henry Allen Holmes on Vice Defense Minister Kwon Yong-hae earlier in the day.

He said it still was premature to speculate on the amount in view of fluid factors such as the shelving of a planned second-phase withdrawal of U.S. Forces from Korea.

Another source at the ministry said that at the Kwon-Holmes meeting, the two sides reaffirmed an earlier bilateral agreement that by 1995 Korea would steadily raise its share to the equivalent of one third of the total won-based cost of the U.S. military in Korea.

"I understand Vice Minister Kwon told Holmes that though Korea would increase its share step by step, there cannot be any drastic increase in view of the country's persisting economic difficulty," the source said.

ijoLK?':pm . .At the 23rd Korea-U.S. Security Consultative Meeting, the two countries agreed Korea would shoulder 180 million dollars this year as its share in the U.S. military's won-based cost.

Korea's share has increased from 45 million dollars in 1989 to 70 million dollars in 1990 and further to 150 million dollars in 1991. The probability is that the share would be around 210 million dollars next year and some 300 million dollars in 1995.

Inter-Korean Military Subcommittee Meets

SK1303033192 Seoul YONHAP in English 0315 GMT 13 Mar 92

[Text] Panmunjom, March 13 (OANA-YONHAP)—South Korea proposed to North Korea on Friday, in the first inter-Korean Military Subcommittee meeting, that they open direct telephone lines between military authorities of both sides.

A Joint Military Committee should be formed by May 19 with seven delegates from each side, South Korea said, and it should have a separate working-level negotiating group and meet once a month in the truce village of Panmunjom, Seoul, Pyongyang or any other place that the two sides agree on.

As it was virtually impossible to settle all the details of inter-Korean arms reduction for simultaneous implementation, the two sides should instead focus on forming the Joint Military Committee and leave the details to be settled by the committee according to priority, the South said.

The meeting was the first since the subcommittee was formed with the effectuation of the inter-Korean basic agreement Feb. 19. Brig. Gen. Pak Yong-ok, director of the Defense Ministry's Arms Control Office, headed the South Korean side and Maj. Gen. Kim Yong-chol, director of North Korean People's Armed Forces, was his opposite number.

The basic agreement states that the Joint Military Committee should be formed within three months.

South Korea proposed that the committee negotiate seven items, including elimination of weapons of mass destruction and surprise attack capabilities, exchange of military information and personnel, prior notification of major military exercises and movements, and peaceful use of the Demilitarized Zone.

Installation of a telephone hotline between the South Korean defense minister and his North Korean counterpart was necessary to avoid accidental armed conflicts, the Seoul delegate said.

Two lines each for telex, facsimile and telephone transmissions should remain open 24 hours a day, and the lines should be opened within 50 days after the two sides put the agreement on the military hotline into effect, he said.

South Korea demanded that North Korea immediately accept nuclear inspection.

"Suspicion is escalating about North Korea's nuclear weapons development," Pak said in his keynote speech. "North Korea has no excuse in delaying the inspection since the inspection is to verify North Korea's pledge for a nuclear-free Korean peninsula."

No Substantial Progress Seen

SK1303111292 Seoul YONHAP in English 0957 GMT 13 Mar 92

[Text] Panmunjom, March 13 (YONHAP)—The first inter-Korean Military Subcommittee meeting held at Panmunjom Friday morning failed to register any substantial progress with the two sides failing to settle their differences over measures to implement non-aggression provided in their basic agreement.

At the meeting, the South wanted the meeting to initially work out an agreement on the operation of the Military Subcommittee and install a telephone hotline between the top military leaders of the two sides.

The North Koreans, however, demanded an initial discussion of a "supplementary agreement for the implementation of non-aggression" along with an agreement on the military panel, which, they asserted, should be taken into force at the seventh prime ministers meeting slated for May 5 in Seoul.

The Southern delegates rejected the North's assertion, saying the supplementary accord can be taken up depending on the resolution of more urgent matters such as concrete devices for non-aggression and creation of an emergency communications system, that is, a hotline.

The Military Subcommittee meeting was held at Tongilgak in the Northern sector of Panmunjom as agreed on in the basic South-North agreement that took effect last month.

At Friday's meeting, however, the two sides neared an accord on the formation of a joint military committee among seven members from each side and the creation of a separate working-level meeting.

In a prepared speech, the South's chief delegate challenged the North to accept outside inspection of their nuclear facilities.

"You have no reason whatsoever to reject nuclear inspection now that your side says you have no ability nor intent to develop nuclear weapons and that your side, along with us, promised to make the Korean peninsula nuclear-free," he said.

The meeting was attended by seven delegates from each side. The Southern delegation was headed by Brig. Gen. Pak Yong-ok, director of the Defense Ministry's Arms Control Office, and the Pyongyang delegation by Maj. Gen. Kim Yong-chol, a bureau director of the People's Armed Forces Ministry.

The second meeting of the Military Subcommittee is set to be held on March 31 at Peace House in the Southern sector of the truce village.

* Report on North, South Development Plan

922C0057A Seoul HANGUK KYONGJE SINMUN in Korean 8 Nov 91 p 3

[By reporter Chong Man-ho: "Summary of KDI Basic Plan for North-South Korea Joint Economic Development; Sees Complementing Each Other's Weaknesses as Desirable"]

[Text] The "Basic Plan for Development in North-South Korea Economic Relations," a report by the KDI (Korea Development Institute) published on 7 November, is significant in that it came up with a comprehensive scenario dealing with the development of a national economic community premised on the variance in economic strength between the two sides and problems experienced in the course of Germany's reunification.

For the two sides to form a national economic community, the KDI report suggests, the two sides must go through the processes of regaining trust, expanding cooperation, and recovering homogeneity between them, in this order, stage by stage. Also, to foster economic interchange between them, it proposes proceeding from indirect trade and moving on to direct trade, then to direct and indirect investments. In particular, the report notes that such trade and investments should be conducted not in the form of one side taking over and merging with the other but in the direction of the two sides complementing each other's weaknesses.

It is noteworthy that the Basic Plan concludes that, with a view to expanding economic exchange and recovering homogeneity in the future, South Korea should further develop its economic strength. Following is a summary of the report.

Comparison of Economic Strength

North Korea's population, based on the 1990 statistics, is 21.41 million, approximately half of South Korea's (42.79 million); in the growth rate, however, North Korea's 1.83 is about twice as high as South's 0.98.

According to the KDI analysis, South Korea's GNP ($237.9 billion) is 10.1 times that of North Korea ($23.5 billion). In per-capita national income, the report puts South and North Korea at $5,569 and $1,095, respectively, the difference being as much as 5.1 times. Even in the per-capita welfare level, including government-paid education, health care, and housing expenses as well as individual consumption, the report shows South Korea at an annual $3,263 against North's meager $465, the difference being as high as seven times. For all these reasons, North Korea is placed among the world's poorest countries.

Industrial structure: In South Korea, the primary, secondary and tertiary industries accounts for 9%, 29.5%, and 61.5%, respectively, of the national economy whereas in North Korea the percentages are 26.8, 42.8, and 30.4, respectively. In South Korea, service industries represent a large part of the economy and the heavy-light industry ratio is approximately 6:4 against North Korea's 8:2, indicating the North's continued emphasis on heavy industry, as well as on agriculture.

A nation's industrial level can be measured by how much it consumes such major intermediate goods as energy, electricity, steel, and cement to produce $1 in GNP. The KDI analysis indicates that North Korea consumes 1.5 to 1.9 times more steel and cement than South Korea does and 2.6 to 2.7 times more energy and electricity. Its obsolete facilities, underdeveloped technology and low economic efficiency are cited as the causes.

North Korea's exports and imports last year were $1.95 billion and $2.84 billion, respectively, registering $890 million in deficit.

Deficits are known to be covered by arms exports which do not show up in trade statistics. Of the $4.554 billion in trade deficits for the 1980-88 period, $3.605 billion were reportedly covered by earnings from arms exports. According to the report, 45.7% of North Korea's total exports are to the Soviet Union and 52.5% of its imports are also from the Soviet Union.

North Korea's rural population ratio can be compared to the level that existed in 1978 in South Korea, its per-capita GNP to the latter's 1968 level, and its population growth rate to the 1971-75 South Korean level. Thus, overall, the report says, North Korea's economy is 15 to 20 years behind South Korea's.

Formula for Expanded North-South Cooperation

The basic goal of economic cooperation will be set at forming a national economic community. The formula for laying the groundwork for it should be proceeding from indirect trade to direct trade, then to direct and indirect investments, stage by stage. At the same time, a simultaneous, multistage approach should also be considered.

First of all, direct trade requires a basic agreement on it to be signed between the two sides. In its initial phase, a barter trade or counterpurchase formula could be used; once the trade expands, however, shifting to an account clearing system is desirable. In view of North Korea's foreign currency situation, a develop-and-import scheme of offering technology and equipment and importing goods thus manufactured can also be considered.

Under this scheme, items with which North Korea is competitive in exports to Japan and other OECD countries may be given priority consideration. Among them are ferrous ore, bituminous coal, manganese, and magnesite. South Korea spends $1.7 billion annually to import these items. As for shipments to North Korea, indirect trade routes can be considered for shipping such items as machines and equipment, electric and electronic appliances, and transportation equipment which North Korea is currently importing from industrial countries.

As regards joint ventures, priority will be given to ventures in areas like fish processing and development of underground resources including bituminous coal and ferrous ore. While the final selections should be made on the basis of the desire of the North Korean side, joint ventures will be first undertaken in fields where takeovers and mergers are most unlikely.

Amalgamation with Chongnyon-invested businesses, accounting for 70% of joint venture investments in North Korea, or involvement with projects for which North Korea already filed requests with the UNIDO (UN Industry Development Organization) can also be considered. Reported to the UNIDO are a total of 83 projects worth $1.561 billion in total, including textile, electric and electronic machine projects. At the same time, it is necessary to actively participate in the Tumen River estuary development project, being pushed under the management of the UNDP (UN Development Plan), in support of the North Korean programs to develop a pioneer economic special zone. Also feasible is considering manpower training for Northeast Asian regional development projects, procurement of North Korean-produced intermediate goods for Korean businesses operating in China and the Soviet Union, and establishment of corporations in those countries with Korean residents as representatives.

Among the possible cooperation projects in the energy area are the joint development of the continental shelf in the West Sea truce line area, the laying of oil pipes from China and the Soviet Union via North Korea, the joint construction of natural gas pipes, and an interchange involving electricity.

Economic cooperation, after all, is aimed at forming a national economic community. To that end, the cooperation effort has to go through the processes of regaining trust, expanding cooperation and recovering homogeneity, stage by stage. In the trust-regaining stage, the two sides need to sign three basic agreements dealing with passage, communications and trade, and to set up joint operations in special economic zones. In the expanded-cooperation phase, they will move ahead with joint developments of tourism and underground resources, scientific and technological accords and an investment guarantee pact, and joint ventures in the light industry sector, certification of payment and relocation of labor-intensive industries to North Korea. When the homogeneity recovery stage is reached, the two sides will readjust economic systems and proceed to joint implementation of economic development plans.

Suggestions From Germany's Reunification

Since the reunification of Germany, 80% of enterprises in the East German region have been on the verge of bankruptcy, with unemployment reaching 33.5% (including working-hour reductions). Steep rises in wages and social frictions have been reported, as well as the federal government's growing financial deficits. Responsible for this situation are the passive attitude of the German Government and the lack of self-help efforts among the people, businesses and administrative officials in the East German region. Also, the one-to-one currency exchange and the ambiguities involved in the handling of the business ownership and privatization questions proved to be serious factors contributing to the situation.

Therefore, in the process of North-South Korea reunification, all problems relating to private ownership on property, privatization of enterprises, speed and scope of mergers, as well as sustained economic exchanges, should be fully examined. Since the creation of a national economic community is, after all, an undertaking to be led by South Korea, we are required to secure our economic strength for ourselves through sustained growth, expanded savings, improvement in distribution structures, and expansion of welfare programs.

CPSU Paper Views Kim Il-song's Background

SK1303113392 Seoul CHUNGANG ILBO in Korean 13 Mar 92 p 1

[Text] North Korea's Kim Il-song was a member of a special forces unit of the Soviet Army from July 1942 to October 1945 and was decorated on several occasions. This was confirmed in a Communist Party of the Soviet Union official document.

CHUNGANG ILBO exclusively obtained this personnel file on Kim Il-song from the former CPSU Central Committee archives on 11 March.

Early this month the archives began unclassifying about 30 million documents of various kinds which have been kept confidential, and the documents are considered to be of such great historical significance that historians call them "the last treasure of 20th century history."

According to this personnel file, Kim Il-song was born in 1912 and participated in anti-Japanese guerrilla activities in Manchuria from 1931 to 1940. Driven by the Japanese Army, which was conducting a punitive expedition against his unit, Kim Il-song went to the Soviet Union and joined the Red Army (Soviet Far Eastern Army) on 17 July 1942. This is the first time that an exact date on which Kim Il-song joined the Red Army, on which there have been differing opinions, has been confirmed.

The former Soviet Union conferred several decorations on Kim Il-song, such as the Order of the Red Flag and the Order of Lenin. The first order conferred on him was the Order of the Red Flag on 29 August 1945 as captain of the 88th Special Brigade, the special forces unit which consisted of the Soviet, Chinese, and Korean nationals, stationed in Khabarovsk.

In this Soviet document, Kim Il-song's name was spelled either (Chin Chi-chen) or (Kim Il-sen). (Chin Chi-chen) seems to be the Russian spelling of his Chinese name. (Gregoriy Korotkov), Far Eastern war historian of the Russian Academy of Sciences, said that this name may have been his Chinese name, for his Korean colleagues might have also been called by Chinese names. According to Mr (Korotkov), the Soviet Union made some preparations toward the end of World War II to establish a socialist government on the Korean peninsula. Part of these preparations was the formation of this special guerrilla unit consisting of Koreans with guerrilla experience under the 88th Special Brigade.

* Kim Chong-il as KPA Supreme Commander

* Power Base Completed

922C0096A Seoul HANGYORE SINMUN in Korean 26 Dec 91 p 3

[Article by reporter O Kwi-hwan]

[Text] The election of Secretary Kim Chong-il as supreme commander of the Korean People's Army [KPA] by the Workers Party of Korea [WPK] at the 19th plenum of the Sixth Party Central Committee on 24 December shows that the consolidation of Kim Chong-il's power base in the military has been concluded. At the same time, it has the effect of demonstrating at home and abroad that his status as successor to President Kim Il-song has been strengthened in all fields.

It has been known that Secretary Kim Chong-il, who holds the concurrent title of member of the standing committee of the Politburo of the Party Central Committee, has been exercising complete leadership over the party. Because in North Korea holding the leadership of the party means guiding state policy and state organs, naturally this means that the military also is the object of his leadership. In addition, at the Ninth Supreme People's Assembly in May of last year [1990], the former National Defense Commission was upgraded to the Korean National Defense Commission, which is the same level as the Central People's Committee, and he himself was appointed as the first deputy chairman, so his control over the military was greatly strengthened.

Even so, the fact that the WPK elected him as supreme commander of the KPA—a position that constitutionally is held by the president—was apparently aimed at achieving several complex effects at home and abroad.

First of all, by being elected the real military supreme commander, he has emerged as the supreme military-power holder in name and reality, having a formal rank and functions. Even though military affairs were included in his overall duties as party secretary and first deputy chairman of the National Defense Commission, some dissonances existed in that (1) the defense commission, as a consultative organ that establishes defense policy, imposed constraints on his directly exercising military leadership, and (2) he did not have a military title. Because of these dissonances, in North Korea from early this year there have been meetings of squad leaders, noncommissioned officers, and company commanders, and they have carried out a series of events to swear loyalty to President Kim Il-song and Secretary Kim Chong-il. In a sense, one can see the procedure of electing Kim Chong-il had gone through the process of such meetings naturally.

If he becomes the military supreme commander according to this election, Kim Chong-il is likely to get the rank of "marshal". From the external perspective, this election is seen as having the character of "demonstrating" to the overseas community, which has doubted Kim Chong-il's military leadership capabilities as the successor. Some foreign experts never tire of expressing negative opinions concerning: "After Kim Il-song's death, will the North Korean military be loyal to Kim Chong-il?" In particular, this kind of view has circulated a lot from the Soviets, who have had a comparatively large amount of intelligence on North Korea. Therefore, we can say that the election of Kim Chong-il shows that the North Korean system, contrary to outsiders' speculation, has adapted to internal and external change in a comparatively controlled fashion.

As to the prospects that Secretary Kim Chong-il might immediately inherit the post of president of the state following his election (or appointment) as the Army supreme commander, there is generally a lot of negative opinion. Senior researcher Kim Nam-sik of the Peace Institute says: "At present North Korea does not show any signs of turning over the presidency to Kim Chong-il" and he sees no change in North Korea's so-called "unitary leadership of the leader (suryong)." If the turning over of the post of state president is a necessary condition, there is no reason to artificially elect him as supreme commander of the Army. According to the present North Korean Constitution, the president is the supreme commander of the Army. Kim Nam-sik judges that according to this, the turning over of the post of president will be achieved according to a general analysis

of the international situation and the North-South problem. He says it is difficult to see the time for that as imminent, however.

If Secretary Kim Chong-il becomes the Army supreme commander, in the mid- to long-term this is likely to have an impact on North-South relations. First of all, if there is agreement relating to implementing the "Agreement of Reconciliation and Nonaggression and Exchange and Cooperation Between North and South" and to military problems such as building the anticipated framework for peace between North and South, the problem also arises as to who is the North's supreme authority. In the North one cannot exclude the possibility that Secretary Kim Chong-il will take part in the final signing of the agreement in his capacity as "Supreme Commander of the Korean People's Army." Of course, in the event of a summit meeting, the South clearly would stipulate the principals should be the South Korean president and North Korean president, but some believe the problem of who is the North's supreme military commander might also arise. On the other hand, even though Kim Chong-il was elected supreme commander by the WPK, it is not clear just what procedures he must go through to be formally installed. This is because the provisions concerning which body appoints the military supreme commander are an imprecise and ambiguous part of the North Korean Constitution. For this reason, there is a good likelihood he will go through the procedure of "appointment" at the Supreme People's Assembly meeting expected in March or April next year [1992] or else be inaugurated to the position with only the "election" of the party and be given the rank of "vice marshal" by the Central People's Committee.

* Power Transfer Near Ready

922C0096B Seoul TONG-A ILBO in Korean 26 Dec 91 p 2

[Editorial: "Father-Son Succession Is Reaching Conclusion"]

[Text] In North Korea the curtain is beginning to fall on the Kim Il-song era. The election of Kim Chong-il as the North Korean KPA [Korean People's Army] supreme commander is only an anticipated move in the expected transfer of power, but it has meaning beyond that: It suggests the formalization of the Kim Chong-il system and the actual opening of the Kim Chong-il era.

North Korea will hold its Seventh WPK [Worker's Party of Korea] Congress in 1992. The Seventh WPK Party Congress may be North Korean President Kim Il-song's last political event. The "last opportunity" to be given to the aging 80-year-old President Kim involves the precious task of the stable transfer of power and consolidation of the transferred power base. To avoid the general precedents of other socialist states, that is to say, the dangers arising in the process of leadership change, North Korea has been steadily laying the groundwork for the epochal and global political drama of a father-son succession. And the seventh congress of the WPK will certainly play out this drama.

There can be a number of divergences of interpretation surrounding Kim Chong-il's taking over of the post of Army supreme commander. In broad brush, however, we can assume it is part of the preparations for the WPK congress. Just as North Korea, after the 4 July Joint Statement, adopted chuche thought as its guiding ideology and consolidated the unitary system, with the historic event of the "Signing of the North-South Agreements," North Korea is unfolding yet another major political event. If we maintain that the reason is to reinforce the system in order to cope with the "Age of the North-South Agreements" we would be right on target.

Of course, it has long been considered likely that Kim Chong-il's power transfer would be achieved successfully, because once you take away Kim Chong-il, there is no other political leader or political group. Kim Chong-il has appointed his own classmates from Kim Il-song University and young relatives and in-laws and the children of partisans, and perfected his own organizational system and has been already exercising real power in all fields. Now this Kim Chong-il has consolidated his power base by emerging as the man in charge of the military, the nucleus of power in North Korea.

With Kim Chong-il's assuming supreme command of the North Korean military, some people in South Korean society expect the go-ahead will be given for improvement of North-South Korean relations. That may well be. Hasty judgments, whether optimistic or pessimistic, however, are to be eschewed. In particular, the expression of opinions at the governmental level should be avoided. If one is not careful, stressing hopeful expectations can result in expressions of optimism, and it follows that being too attached to the "North-South Agreements," can lead to errors in the progress of North-South relations.

When the supreme commander of the other party is changed, it calls for some prudent observation. In this state of affairs, the fact that it was hinted that if North Korea shows sincerity in the issue of nuclear reprocessing, we will suspend the Team Spirit exercises gives the impression that we are pleading with North Korea. Who was it who gave the handwritten orders for the blowing up of the KAL airliner which took the lives of workers who had been working in the Middle East? It was none other than Kim Chong-il. That North Korea's nuclear weapons development program is a project of the North Korean military is a well known fact. Will Kim Chong-il take no notice of such demands of the North Korean military?

When the North-South Korean agreements take effect, criticism of the North Korean system must also be restrained. This is in order to respect the spirit of the agreements not to interfere in the internal affairs of the other party. This very North-South Korean agreement will demand the agonizing choice of having to recognize

the Kim Chong-il regime as lawful, however. If we should make the slightest mistake, South Korea will end up falling into the contradiction of being the first to accept the epochal, the global political drama of father-son succession. That is tied directly to the problem of morality.

The yardstick separating tacit consent or acceptance from opposition or denial is not just actual benefit or gain. In the long run, what is important is the merit of pursuing something and carrying it into practice. The minimal conditions will be fulfilled when the Kim Chong-il regime, through an open-door policy, is able to broaden its scope of contacts and cooperation with international society in order to democratize and solve the people's difficult economic situation. The more important thing is for North Korea's policy toward the South to change. Should this not be done, the Sixth Republic administration will have the unfortunate effect of serving as the best man at the establishment of North Korea's father-son succession.

* Impact on Inter-Korean Ties

922C0096C Seoul CHUNGANG ILBO in Korean 26 Dec 91 p 3

[Editorial: "North Korea Consolidating Kim Chong-il System"]

[Text] The election of Kim Chong-il as supreme commander of the North Korean Army is of concern from the aspect of the transfer of power, but it seems it should be given more attention with respect to the future relationship between North and South Korea.

This is because the important transformation taking place in North-South relations is not seen as simply a matter of coincidence. In particular, there is still no precedent in North Korea, but in view of the fact that important political changes in communist states have had a close relationship to transfers of power, we believe North-South dialogue in the future will have an intimate relationship with Kim's course of action.

What draws our attention first is the fact that the next one to three years will be a period of regime consolidation, with next year as the crucial year. In South Korea, next year [1992] is an election year, and a new political design is to be fashioned. In the case of North Korea, energies will be devoted to consolidating Kim Chong-il's political base.

When viewed from that angle, one cannot completely exclude the possibility that the North-South dialogue will be used according to the political necessities of both sides, but from the trend of the times, we believe it can not greatly influence North-South relations.

In the present prevailing situation one cannot deny that the North-South dialogue is being used to strengthen Kim Chong-il's base. North Korea's internal and external conditions do not allow it to be used solely for pure system consolidation as was the 4 July [1972] Joint Statement, however.

We get the feeling that in order to finish up the transfer of power to Kim Chong-il, 80-year-old Kim Il-song is fighting against time. He is placed in the situation of having to create conditions for a more stable assumption of power by Kim Chong-il.

Therefore, the series of policy changes North Korea has exhibited externally can be regarded as making preparations for the Kim Chong-il system after Kim Il-song. Of course, there is absolutely no question that the entry into the United Nations, the cooperation with the United States, and the signing of the North-South Korean agreements are essentially for the preservation of the regime.

When viewed in connection with the power succession, such policies also have significance as preliminary political work, however.

At such a stage, elevating Kim Chong-il to supreme commander of the North Korean Army has major significance both domestically in North Korea as well as in North-South Korean relations. To Kim Chong-il, who still has no achievements to speak of in external relations, there is ample possibility of strengthening his base by attributing the expected successes in North-South Korean relations to his achievements.

Assuming breakthroughs in North-South Korean military issues and the nuclear issue, the achievements will be attributed to Kim Chong-il as the Army supreme commander. In the interests of securing stabilized North-South Korean relations, such a process can also be useful.

What we are apprehensive about is a situation in which the North Korean regime cannot become stabilized. In such a situation, North-South Korean relations would become precarious and tensions could arise.

From that angle, we are concerned that Kim Chong-il's power base could weaken, and we also fear chaos might come to North Korea after Kim Il-song. There is also fear that as an expediency for avoiding a crisis to the system, North Korea might create a crisis on the Korean peninsula or resort to adventuristic military acts.

From that aspect, the problem is that the stability of the North Korean regime or even the future of the Kim Chong-il regime might influence the future of the Korean peninsula. It is paradoxical, but for us, we must be concerned that the succession regime does not fall into chaos.

* Kim Chung-nin's Background Detailed

922C0097A Seoul PUKHAN in Korean Jan 92 pp 91-100

[Article by Kim Song-am, National Unification Board assistant officer: "Kim Chung-nin—His Ups-and-Downs Career

as the Top Man in Charge of Anti-South Korea Operations Reminiscent of a Dharma Toy"]

[Text]

Foreword

Kim Chung-nin was born in 1924 in Pyoktong, North Pyongan Province. Since the 1970's, the name has been a synonym for North Korea's covert operations against the South.

It is reasonable to say that it was when he was named secretary of the WPK [Workers Party of Korea] Central Committee for South Korean affairs in 1967 when Kim Chung-nin, coming from peasant stock, first launched into anti-South activities in earnest. Although his position appeared shaky at times in a number of turns and twists, he built up his stronghold over two decades despite the ups and downs until handing the South Korea operations job over to Yun Ki-pok, who replaced him at the 17th plenum of the Sixth WPK Central Committee in January 1990.

Needless to say, the fact that he is a relative of the wife of Kim Yong-chu, Kim Il-song's younger brother, must have worked as a factor. Nevertheless, it must not be overlooked that all strengths he had—brightness, sharp political judgement, a gift for writing, good command of foreign languages including English and Japanese, and ability to handle business promptly and smartly, etc.—must have impressed Kim Il-song favorably. In other words, he continued to gain the leader's confidence through the his overseas trips and the writing of conference reports and speeches for him.

Kim Chung-nin is one of the key figures in the North Korean hierarchy. With this fact in mind, let us take a look at the background of his early days and what put him on the power ladder, as well as his recent activities, although there are limitations coming from the fact that he is a North Korean personality belonging to a system diametrically different form ours. Let us take a look anyway, using various data available, in a way as "the blind try to feel out an elephant," for data about North Korean leaders are difficult to obtain and moreover even those data available are in fact extremely questionable about their truthfulness.

A Devoted Post-Liberation Communist Activist

As was briefly referred to in the above, Kim Chung-nin was born and spent his childhood in Pyoktong, North Pyongan Province. Poverty kept him from advancing to a middle school after finishing primary school. So, he did a self-study, using the Waseda middle school correspondence course textbooks, and passed the examinations that qualified him as middle school graduate and for applying to take college entrance tests. Subsequently, he demonstrated his resourcefulness by also passing the tests to become a primary school teacher.

Thus, until the 15 August, 1945, Liberation, he worked as a teacher in Sakchu, North Pyongan Province, and during this period he passed the preliminary portion of the Japanese high civil service examinations. It is known that he joined the China-based National Liberation Union (organized by Kim Song-suk) to engage in communist activities in those days.

On Liberation, he became an activist of the communist party and began his activity in Pyoktong County, his home county. It can be said that he embarked on a path of success when he took the WPK Central Party School course in 1947. After that, he served as propaganda and agitation chief of the WPK Pihyon County chapter; then department chief of the WPK North Hamgyong Province chapter in 1948; propaganda and agitation department guidance functionary and later deputy department chief of the WPK North Pyongan Province chapter in 1950, and in 1953 had the luck of being sent to the Soviet senior party school. In those days it was extremely difficult to be picked for study in the Soviet Union.

After that, Kim Chung-nin worked in the WPK Central Committee, serving as a deputy department director, then an International Affairs section chief and again a deputy department director, and later as director of the Culture Department. He was promoted to candidate member of the WPK Central Committee in 1960.

His rise within the power hierarchy since then—i.e., how he gained Kim Il-song's deep trust—can be traced to his role in expanding the Kim Il-song personality cult to international levels.

Especially, in the 1950's, he published "Kim Il-song Biography," a personality cult material, in a variety of languages including Japanese, English and French through Chongnyon in Japan, disseminating it widely in Japan, France and other capitalist countries in Europe. He thus displayed exceptional creativeness in promoting the Kim Il-song personality cult, which apparently gave him an opportunity to rise as a close aide to the leader. Actually, however, it is known that the original idea of writing and publishing the "Kim Il-song Biography" came from another person, not Kim Chung-nin himself. But it was Kim Chung-nin who used the idea for his own advancement as a close aide to Kim Il-song. This fact alone suggests that he knew how to swim with the current.

Furthermore, Kim Chung-nin had the shrewdness of using his position as director of the WPK Central Committee Culture Department and secretary for South Korean affairs to swiftly bring to Kim Il-song's attention major intelligence reports on the changing situations and about South Korea. It is known that his zeal impressed Kim Il-song, pushing him up to the closest of all the close aides.

Rapid Rise to Key Anti-South Role Since 1970's

It seems that Kim Chung-nin was first involved in anti-South covert operations when he was named secretary of the WPK Central Committee for South Korean affairs. In fact, from Liberation to date, North Korea raised various issues, including withdrawal of U.S. troops from Korea, changing tactics according to the circumstances; essentially, however, its aim has always been a communist South Korea.

Meanwhile, North Korea had to find it difficult to successfully maintain this line of turning South Korea communist. Also, the attempts made in those days (1960's) at violent provocations as a means for a communist South Korea fell short of expectations. Against this backdrop, addressing the fifth WPK congress in November 1970, Kim Il-song stated that the strengthening of North Korea as a revolutionary base is by itself not enough to successfully carry out the Korean revolution. He stressed the need to restrengthen the revolutionary forces in South Korea and called for fostering and building up indigenous revolutionary forces in South Korea and for pushing revolutionary movements by combining political struggle with economic struggle, lawful struggle with unlawful or illegal struggle, and violent struggle with nonviolent struggle.

This policy adopted by Kim Il-song, reflecting the thaw in the world situation from late 1969 through early 1970, was designed to use circuitous tactics to create a top-of-the-tide situation in a South Korean revolution. In other words, taking advantage of the North-South dialogue in the early 1970's, he attempted to step up anti-South propaganda and agitation by legitimate means and, at the same time, to create an atmosphere favorable for an alliance with communists in South Korea by demanding "improvements in legal and social environments"—specifically, abolition of the Anti-Communist Law and the National Security Law, release of political prisoners, and participation in the North-South dialogue of the Revolutionary Party for Reunification and other parties and organizations—as his condition for continuation of and progress in the dialogue.

It was in this era—summed up as an "era of the upsurge-period tactics" or "era of two-front tactics for both war and peace"—that Ho Pong-hak was purged as head of the general bureau of South Korean affairs and Kim Chung-nin was named to replace him as the top leader of anti-South covert operations.

Kim Chung-nin unified such commando units as Unit 124 and Unit 283, which had been widely known among us, into 8th Corps as a special corps. He also drastically reorganized Unit 695 the primary mission of which had been underground operations. He also created a liaison department, culture department and investigation department under the control of the secretary for South Korean affairs to control such related functions as the Reconnaissance Bureau of the Ministry of People's Armed Forces and Chongnyon operations.

Especially, after the North-South dialogue was suspended about two years after it started, on 28 August 1973 (unilaterally by a statement of Kim Yong-chu, co-chairman of the North-South Coordinating Committee), Kim Chung-nin tried to create a chaotic situation in South Korean society by using Mun Se-kwang, a person related to Chongnyon, in an assassination attempt against then-President Pak Chong-hui. President Pak's wife, Mrs Yuk Yong-su, was killed but the attempt fell through, and the plot only stirred indignation among all the people in South Korea. Also, in October 1975, tunnels dug by North Korea for invasion into the South were discovered, adding fuel to international controversies and, as the result, Kim Chung-nin had to take the responsibility and taste the tragedy of being dismissed from all the public posts he held.

About a year later in September 1976, however, he came back, this time as head of the Research Institute on South Korea, part of the anti-South covert operations organization, although it was in a sense a post of leisure.

Subsequently, in March 1978, he was restored to the Political Committee of the WPK Central Committee. In June 1980, he wrote an article in the No. 6 issue of the party theoretical journal KULLOJA, entitled "The Line of the Anti-Japanese United National Front United the Whole Nation Firmly Under the Anti-Japanese Banner." At the sixth WPK congress held in October 1980, he was reinstated as secretary for South Korean affairs.

After that, his hard-line approach in anti-South operations continued until it culminated in the explosion incident in Burma. The assassination attempt against visiting South Korean high officials further deepened North Korea's isolation internationally. Far from causing a chaotic situation in the South Korean society, the terrorism only served to make it inevitable for the South Korean Government to take a tough position against the North.

The incident put even China, an ally for North Korea, in a difficult position. After the Burma incident, Kim Chung-nin was again removed as secretary for South Korean affairs and demoted to candidate member of the Political Committee. In January 1985, he even experienced the humiliation of being dismissed from that position, too. But a month later, in February the same year, he was reappointed secretary for South Korean affairs in what appeared to demonstrate his potential resourcefulness.

Later, after relieved as secretary of the WPK Secretariat in February 1986, he was elected deputy to the eighth Supreme People's Assembly [SPA] in November the same year; was appointed president of the Korean Central News Agency in March 1987, chairman of the Public Information Committee in June the same year, and made another comeback as secretary of the WPK Secretariat (for South Korean affairs) in November 1988.

As was briefly mentioned in the above, Kim Chung-nin remained in charge of South Korean affairs until January

1990, when he was replaced by Yun Ki-pok, vice chairman of the Committee for the Peaceful Reunification of the Fatherland, at the 17th plenum of the sixth party Central Committee.

Also Elected to SPA

Kim Chung-nin, who played an active role for more than 20 years as a central figure in anti-South operations, was first elected to the SPA, North Korea's legislature (in form, at least), in the third SPA elections held in October 1962.

He was reelected to the fourth SPA in November 1967, the fifth SPA in December 1972 (when he was also named to the Central People's Committee [CPC]), the seventh SPA in February 1982, the eighth SPA in November 1986, and the ninth SPA in April 1990. Especially, since his election to the ninth SPA, he has become even more active, serving as chairman of the Qualifications Screening Committee.

Let us take a brief look at what the SPA is, and what functions the CPC has.

First, the SPA is defined by the constitution as the highest organ of power that exercises legislative power; in fact, however, it is nothing more than a titular rubber-stamp organ.

SPA deputies are elected in the proportion of one for every 30,000 residents, and to a term averaging four years. The SPA convenes its regular session once or twice a year, while an extraordinary session is convened at the request of one third or more of total membership or by the SPA Standing Committee deems it necessary. The length of each session is normally two to three days. A half or more of total membership constitutes a quorum at a session.

Powers exercised by the SPA include: to adopt or amend the constitution, laws and ordinances; to establish the basic principles of domestic and foreign policies; to elect the president of the state; to elect or recall vice presidents, the secretary and members of the CPC, the premier of the State Administration Council [SAC], and vice chairmen of the National Defense Commission on the recommendation of the president of the state; to elect or recall members of the SPA Standing Committee; to elect or recall the president of the Central Court, appoint or remove the president of the Central Procurator's Office; to approve the state plan for the development of the national economy; to approve the state budget, and to decide issues of war and peace.

Next, let us take a look at the CPC, to which Kim Chung-nin was named in December 1972 while a deputy to the fifth SPA.

At the time, the CPC was just created by the constitution adopted at the first session of the fifth SPA. (North Korea's first constitution adopted in February 1948, composed of 11 chapters and 104 articles, remained in effect—although subsequently partially amended on several occasions—until replaced by the new 11-chapter, 149-article socialist constitution, which was adopted on 27 December 1972 at the first session of the fifth SPA.) For form's sake, it was created as "the highest leadership organ of state power." (The old constitution defined the cabinet as "the highest executive organ of state power"; under the new constitution, the cabinet was renamed the SAC and downgraded to an "administrative and executive body of the highest organ of power.") Thus, the CPC is headed by the president of the state and operates under his direct command, supervision and control. In other words, the CPC is placed above the SAC. It is composed of a secretary and members including the president and vice presidents of the state. Established under the CPC are the Internal Policy Commission, the Foreign Policy Commission, the Justice and Security Commission, and the Economic Policy Commission. The National Defense Commission was also under the CPC at the time but was separated from it in the 24 May, 1990, reorganization of state organs at the first session of the ninth SPA.

In addition to the legislative function of adopting decrees and decisions, major CPC functions include: shaping the domestic and foreign policies of the state; directing the SAC and local people's committees and their work; directing the work of judicial and procuratorial organs; guiding the work of national defense and state security; supervising the execution of the constitution, laws of the SPA, orders of the president of the state, decrees and decisions and directives of the CPC, and annulling decisions and directives of state organs that contravene them; appointing or removing vice premiers, ministers and members of the SAC (needless to say, on the recommendation of the premier of the SAC); establishing or abolishing ministries of the SAC; appointing or recalling ambassadors and ministers; appointing or removing high-ranking military officers; conferring military titles of general; instituting decorations, titles of honor, military titles, and diplomatic grades; conferring decorations and titles of honor; granting general amnesty; changing administrative districts, and declaring a state of war and issue mobilization orders in case of emergency.

Meanwhile, the SPA Qualifications Screening Committee, the chairmanship of which Kim Chung-nin assumed in April 1990, is one of the committees within the SPA. Together with the Bills, Budget, and Foreign Affairs committees, and with the Reunification Policy Committee created in 1990, it forms the so-called five committees and its chairmanship is an important post.

Major Achievements, Recent Activities

Kim Chung-nin's other achievements and recent activities include the following:

He has had considerably close ties with Chongnyon. In February 1959, he met with Japanese Red Cross representatives in Geneva in the first session on repatriation

of Chongnyon-affiliated Korean residents in Japan to North Korea. Also, he was present at a meeting of Kim Il-song and Chongnyon Chairman Han Tok-su in April 1981, and when Kim Il-song received Chongnyon Vice Chairman Yi Kye-baek in September the same year. In December 1989, he attended a rally of Korean residents in Japan marking the 30th anniversary of the repatriation program.

Although Yun Ki-pok replaced him as secretary for South Korean affairs, Kim Chung-nin remains busy, attending various events, still as a party secretary.

Let us take a look at his major activities since 1990. On 13 February 1990, he attended a central party workshop on ideological theories and achievements held in the Cultural Palace of the People. He was also present at the 19th plenary meeting of the Federation of Trade Unions of Korea [FTUK] which came to a close on the same day. (The meeting was held on 12 and 13 February.) Other 1990 events he attended were: a national meeting of production innovators that opened in the 8 February Cultural Hall on 26 February; a central meeting marking the 70th 8 March International Women's Day held on 7 March at the Cultural Palace of the People; a central rally marking the 58th anniversary of the founding of the North Korean People's Army held on 24 April; placing of wreaths by party and government leaders at the People's Army Martyrs Monument on 25 April marking the same occasion; a central workshop held in the Central Workers Hall on 26 April marking the fifth anniversary of the publication of the Kim Chong-il paper "On Strengthening Party Guidance for the Work of Mass Organizations"; a banquet held in the Cultural Palace of the People on 1 May marking the 100th May Day; a May Day rally at the 1 May Stadium on the same day; the 14th plenary meeting of the Agricultural Workers Union [AWU] on 7 June; a local meeting held in Hoeryong County on 11 June to fulfill tasks shown in the Kim Il-song policy speech; a gathering of working people in Pyongyang City on 27 July marking the 37th anniversary of the fatherland liberation war victory; a central rally held in the Cultural Palace of the People on 21 August marking the 30th anniversary of the publication of the Kim Il-song works; a central rally at the 8 February Cultural Hall on 8 September marking the 9 September Day; a photo session with Kim Il-song on 8 October marking the 45th WPK founding anniversary; a central report meeting in the conference hall of the party Central Committee on 2 November marking 45th anniversary of the founding of the Korean Social Democratic Party; a central report meeting in the Youth Central Hall on 18 November marking the 15th anniversary of the Movement to Win the Red Flag of the Three Revolutions; a central report meeting at the Cultural Palace of the People on 29 November marking the 45th anniversary of the FTUK; a gathering at the Central Workers Hall on 2 December for the presentation of a letter of thanks from the WPK Central Committee to participants in the fire-prevention project for the revolution's battlefields and historical sites in the Mt. Paektu area; and a report meeting on 17 December marking the 30th anniversary of Kim Il-song's visit to the Kim Il-song senior party school.

Similar activities continued into 1991, beginning with his presence at a central memorial service for the late Kim Chaek at the 8 February Cultural Hall on 31 January marking the 40th anniversary of his death. On 6 March, he, as a party secretary, presided over a national meeting of AWU propaganda functionaries to implement tasks shown in the Kim Il-song New Year address.

In 1991, Kim Chung-nin also attended the 21st plenary meeting of the FTUK Central Committee on 19 March, and a reporting meeting at the Central Workers Hall on 26 March marking the 45th anniversary of the founding of the General Bureau of Publications. On 1 April, he presided over a meeting of functionaries of the party cadre training institute held at the Cultural Palace of the People for the implementation of the 12 September, 1990, Kim Il-song instructions. He also accompanied Kim Il-song in his inspection tour of a tram project site on 13 April.

Besides, Kim Chung-nin accompanied Kim Chong-il in his condolence visit on the death of Ho Tam on 12 May, and attended the national funeral for Chong-suk on 7 June.

Thus, Kim Chung-nin has appeared in all major events with no exception lately, showing that he is in good shape.

Overall Appraisal

Judging from his history shown above, Kim Chung-nin seems to be the kind of person with unusually strong desire for promotion and honor. In the totalitarian, chuche-based North Korean society, Kim Chung-nin is a rare case in that he was demoted and then rehabilitated repeatedly.

Specialists on North Korea may very well perceive his quality like this as showing a light, impatient, bureaucratic and self-righteous character. Nevertheless, his trait of indulging in bravado and bluster for himself seems to be amply understandable as a person.

For instance, he has devoted himself to establishing the Kim Chong-il leadership from the very beginning, playing a part in the undertaking to build up Kim Chong-il's image in a cult of personality. Among other things, he published a book titled *The Lodestar* and showed unusual enthusiasm in selling and disseminating it in Japan.

Kim Chung-nin is excessively clever in some aspects. While he was able to find his way into the leadership circles thanks to that quality, his bluffer-type (?) character sometimes put him in trouble, causing his demotion.

The key point that should not be overlooked about him is that he is the person who, as the secretary for South

Korean affairs, was for years in charge of covert operations against the South organizing and commanding in person various programs to stir up disturbances in South Korea, and who, at the same time, wielded his influence over Chongnyon and, through it, played a leading role in perpetrating provocations and hostile acts against South Korea including infiltration of agents in particular.

Physically, Kim Chung-nin is of sturdy build and a little shorter in height than average, with a face characterized by slightly high cheekbones and a broad forehead with a receding hairline, and with complexion relatively fair. He uses glasses mostly for reading purposes. He walks relatively fast, a quick-pace type, so to speak.

His hobby is reading books. For sports, he likes to play table tennis most. Especially, it is known that he often reads books till late at night or invites scholars to hear their lectures and that his scholastic spirit is unusually strong. He neither drinks nor smokes. But he loves to eat noodle and rice cake so much that he is called "the cake eater" in North Korea, they say. I have not met Kim Chung-nin and am therefore unable to personally confirm how close all these reports about his hobby and physical features are to facts, however. I acknowledge that I am obliged to confirm them when the day of "peaceful reunification" comes.

Conclusion

North Korea has carried on anti-South covert operations persistently over the past 40 years. It has used various tactics, including underground party cell activities, armed guerrilla and spy infiltrations, terrorism, and agitation for anti-government struggles, acting according to the circumstances. It is a fact, too, that North Korea has also resorted to a peace offensive along with the on-again, off-again North-South dialogue.

From the 1960's to date, there has been absolutely no change in its ultimate goal, however—"reunification through a people's revolution and communist rule in South Korea." In other words, North Korea, from the founding of its government to date, has pursued a "South Korean revolution" as one of its three revolutionary tasks, employing different tactics in different situations. It unceasingly pursues a two-faced policy, at heart bent on use of armed force to turn South Korea into communism as a way for reunification while ostensibly stepping up a deceitful peace offensive. The top leader is none other than the WPK.

Needless to say, the trends of the times have their impact on this system, too. It is no longer the 1960's when North Korea focused on armed provocations, or the 1970's when it used the two-faced, ready-for-both-war-and-peace tactics. Today, it is in no position to rely on covert operations and terrorism alone in its pursuit of South Korea strategy.

Especially, the rapid changes in the world situation that began in the late 1980's brought the downfall of East European nations and the reunification of East and West Germany; the disintegration of the Soviet Union in particular, which had been a blood-tied ally and prop for Pyongyang, inevitably put North Korea in a severe ordeal.

Viewed in this light, it appears that Yun Ki-pok, with his overall experiences accumulated in the economic and education areas and in the North-South dialogue, is better qualified to develop a "united-front-type dialogue" in the future than Kim Chung-nin, who displayed an outstanding capability in anti-South covert operations.

In view of the peculiarities inherent in the North Korean society and Kim Chung-nin's unique history, however, i.e. his persistency reminiscent of a Dharma toy, and his recent activities, it is extremely difficult to imagine that the confidence in him of Kim Il-song and Kim Chong-il will fade away overnight.

Kim Chung-nin currently is not among the top 20 in the party hierarchy; however, considering the fact that he once rose to No. 10 in the rank order, it seems not entirely inconceivable that he might make another comeback as the top man in control of counter-South Korea operations.

Kim Chung-nin's Brief History, Major Activities

—1924: born in Pyoktong, North Pyongan Province
—Before Liberation: a communist and member of the National Liberation Union
—1947: attends the WPK Central Committee school, serves as propaganda-agitation chief of the WPK Pihyon County chapter
—1948: department director of the WPK North Hamgyong Province Committee
—1953: enters the Soviet senior party school
—April 1959: member of the Standing Committee of the Korean Red Cross Society Central Committee
—May 1961: member of the Committee for the Peaceful Reunification of the Fatherland
—September 1961: candidate member of the WPK Central Committee
—October 1962: deputy to the third SPA
—October 1966: deputy to the fourth SPA
—1967: secretary of the WPK Central Committee in charge of South Korean affairs
—June 1970: visits China as deputy head of a government delegation in connection with the 20th anniversary of the outbreak of the Korean War
—December 1972: deputy to the fifth SPA, member of the CPC
—October 1975: dismissed from all public offices
—September 1976: head of the Research Institute on South Korean Affairs within the anti-South operations organization
—March 1978: reinstated as member of the Political Committee of the WPK Central Committee
—October 1980: member of th WPK political bureau, secretary of the WPK Secretariat (for South Korean affairs)
—February 1982: deputy to the seventh SPA

—April 1982: awarded the Kim Il-song Medal
—March 1984: demoted to political bureau candidate member, dismissed as secretary of the WPK Secretariat (for South Korean affairs)
—January 1985: dismissed as political bureau candidate member
—February 1985: reinstated as secretary of the WPK Secretariat (for South Korean affairs)
—February 1986: dismissed as secretary of the WPK Secretariat (for South Korean affairs)
—November 1986: deputy to the eighth SPA
—March 1987: president of the Korean Central News Agency
—June 1987: chairman of the Public Information Committee
—November 1988: reinstated as secretary of the WPK Secretariat (for South Korean affairs)
—January 1990: dismissed as secretary of the WPK Secretariat (for South Korean affairs)
—April 1990: deputy to the ninth SPA
—at present: member of the WPK Central Committee, secretary of the WPK Secretariat (for mass organizations), deputy to the ninth SPA, chairman of the SPA Qualifications Screening Committee
—5 June 1991: attends memorial service for the 65th anniversary of the death of Kim Hyong-chik
—7 June 1991: attends the national funeral for Ho Chong-suk
—27 August 1991: attends the central report meeting marking the Youth Day
—8 September 1991: attends the central report meeting marking the 43d anniversary of the founding of the North Korean government
—2 October 1991: attends the 22d plenary meeting of the FTUK
—15 October 1991: meets Kim Il-song on the latter's return from his China visit

Reports Highlight Leading Parties, Independents

Rival Parties Target Independents

SK1103140692 Seoul YONHAP in English 0513 GMT 11 Mar 92

[Text] Seoul, March 11 (YONHAP)—Major political parties are working out ways to defeat the 225 independents in the March 24 general elections. Independents account for 21.4 percent of the candidates.

Their targets are politicians who were active during the Fifth Republic, the government of President Chon Tu-hwan, and former and incumbent lawmakers who were denied nominations by the ruling Democratic Liberal Party [DLP] and major opposition Democratic Party [DP].

DLP sources said the competition would be most intense in some 70 constituencies and in half of them independents were likely to determine the fate of party candidates.

The most formidable independents will be the Fifth Republic figures Chong Ho-yong, a former home minister and lawmaker, running in Soku-A constituency in Taegu; Kim Yong-kap, a former government administration minister, in Socho-B constituency; Ho Hwa-pyong, a former senior presidential secretary for justice and inspection; Ho Mun-toh, a former national unification minister, running in Chungmu-Tongyong-Kosong; and Yi Sang-chae, who served as vice secretary-general of the former ruling Democratic Justice Party.

Also being closely watched are those who failed to get party nomination such as Rep. Oh Han-ku, running in Yongyang-Ponghwa, Song Mu-yong, in Chonan, Chong Pil-kun, in Chinyang, Cho Hong-nae, in Uiryong-Haman, Choe Ton-ung, in Kangnung, and Yi Song-mu, vice president of the Pongmyung Group, in Chomchon-Mungyong.

"The Unification National Party [UNP], with its financial power and the Hyundai organization, is eating away the shares of the ruling and opposition candidates. In addition, pro-government independents are gathering votes on the basis of organizations built under the former government. In some areas, those candidates may determine the fate of our candidates," a DLP source said.

DLP sources said their party was considering tracing the financial route of independents because UNP President Chong Chu-yong could render financial support to some of them with the hope of getting them into his party after being elected.

The DP has directed its members in its power base of the Cholla provinces not to support candidates who are running independently after failing to win party tickets, as the independents might steal votes from the party.

A DP source said dispersion of votes would be inevitable in areas where prominent opposition figures were running without party tickets.

Yi Mun-ok, a former auditor of the Board of Audit and Inspection, is running in Donggu, Kwangju, Rep. Yi Chol-yong, in Dobong-B in Seoul, Rep. Yi Hyong-pae, in Namwon, Ahn Pyong-su, in Yonggwang-Hampyong, and Cho Pyong-su, in Hwasun.

The DP is operating a task force fighting against disputes among opposition candidates and is studying how to discourage pro-opposition independents from contesting the elections, the source said.

Attempt To Crush UNP

SK1303022092 Seoul THE KOREA TIMES in English 13 Mar 92 p 5

[By staff reporter Kim Chang-yong]

[Text] The season has come when every person is treated equally well under the simple title of voter.

Big names in all walks of life kneel down on the floor in a deep bow at stumping rallies or in markets to get ballots. They visit remote villages, willingly preside over wedding ceremonies and pay the politest homage at funerals of unknown deceased persons to make themselves better known to the public in their 20-hour campaigns.

Some speak of grandiose slogans and make pledges for the development of their districts without any thought of serious feasibility studies while others boast of their long participation in pro-democracy struggles.

Candidates for the March 24 National Assembly polls are pursuing all the ways and means, even illegal, available to them to ascend to the coveted seats of the legislature, the highest paid of public officials and decorated with various privileges.

But the electorate response has been cool despite a couple of weeks of informal and formal campaigns, joined by political leaders. Just 10 days are left for the Assembly runners to reach the end of their campaign trails.

With no eye-opening campaign issues such as those raised by the opposition in past ballots like "democracy vs. dictatorship," or "civilians vs. the military," the candidates of new parties and independents are enjoying a robust showing and complicating the election battle so far.

If their is another revolt of people this time, it will be a surge of the Unification National Party [UNP] and a group of political mavericks without party affiliation, election analysts say. In last-minute surprises, opposition parties scored a triumph in the last two ballots—in 1985 and 1988.

Cashing in on the widespread distrust of the existing political regime, coupled with serious political apathy, the UNP is portraying itself as a good alternative to the giant ruling Democratic Liberal Party [DLP] and the main opposition Democratic Party [DP].

A series of harassments by power machines including a bugging in Ulsan Tong (East) district, the local plants of the Hyundai business group founded by UNP chairman Chong Chu-yong, has carved the image of the two month-old party as an "oppressed opposition party." The UNP, for its part, is creating a different image as a quasi-ruling party, approaching pro-DLP voters.

In a dozen districts, UNP candidates have succeeded in making the race a duel with DLP or DP rivals.

The DLP's key strategy is to propagandize the need for a safe majority in the Assembly to back the administration, whereas the DP is stressing the necessity for an opposition force strong enough to check the government.

The two main parties have, however, the common desire to maintain a bipartisan system. They are trying to nip the UNP in the bud, while girding themselves against a strong challenge by independents who account for as many as 22 percent of the 1,000-odd candidates.

As most eligible voters are seen to be undecided, money will large decide who wins or loses in the coming elections, analysts said. Some disclosed that no less than 5 billion, about 50 times the legal ceiling, would be needed to win in highly competitive areas.

'Independents' Frustrated by Rules

SK1203032692 Seoul THE KOREA TIMES in English 12 Mar 92 p 2

[By staff reporter Kim Sung-pok]

[Text] Kim Yong-gap, a former government administration minister, was one of the nation's first independent candidates to show up to register his candidacy when he did so with the Seoul Socho-B election management committee at 0900 last Saturday, the first day of candidacy registration for the National Assembly elections.

Kim, one of 225 independent candidates, was accompanied by some 20 supports. At around 1000, he received his "recommendation letter" from a committee official and then he and his supporters began the long and arduous task of filling out the necessary paperwork.

In addition to the paperwork, an independent must submit signatures of 500 to 700 supporters to register. It took him until 1630 that afternoon to complete registering his candidacy.

So, he wasted the first full day of the 17-day legal campaign period on filling out paperwork for his candidacy.

Meanwhile, political party nominees completed their registration procedures in several minutes.

"The frustration felt by independent candidates does not end here. "They also find themselves hemmed in by various legal barriers," a senior campaigner for Kim said.

This is all the more evident for independent candidates who once were aligned with the ruling camp.

Only three 30-minute joint stumping sessions are allowed for independents during the campaign period.

By contrast, party nominees are given the added advantage of holding a "speech rally" sponsored by their parties in their electoral district.

The Dec. 31, 1991 amendment to the National Assembly Election Law revived the party-sponsored speech rallies after an absence of 20 years. The rally is allowed to last four hours with three guest speakers, including party leaders.

To publicize the rally, 200 posters and three placards are allowed, which can also be used as campaign tools.

On top of this, the independents can issue only four types of pamphlets, while party candidates can issue six.

Independents have no access to the mass media, including TV networks.

According to the election statutes, only political parties are allowed access to television and radio networks, newspapers and magazines.

In protest of "unfair" election statutes, Kim Yong-gap has filed suit with the Constitutional Court to seek a revision of the National Assembly Election Law.

The "external pressure" on the independents is far more onerous.

A campaigner for Kim revealed that Kim rented seven "liaison offices" in the electoral district. Some days later, three of the building owners renting space to Kim asked him to move out, saying that they were told do so, otherwise, they may be subject to tax probes, according to the campaigner.

Businessmen who have helped Kim are reportedly under similar pressures.

Some unidentified men have been seen photographing visitors to Kim's office in an apparent scheme to discourage support for him, the campaigner revealed.

Reps. Yi Hak-pong and Pak Chae-kyu, both who had been preparing to run as independents, had their guilty convictions upheld by the Supreme Court Tuesday and were stripped of their Assembly seats and of their right to run in the March 24 general elections.

Anticipating losing his right to run, Yi, a former senior presidential secretary for civil petitions, had his wife Yi So-hye register as a candidate in his place in Kimhae, Kyongsangnam-to, March 8.

Kwon Chung-dal, a former political "big shot" during the days of the Fifth Republic, "mysteriously" departed for the United States on Jan. 29 and is still there.

He was ready to run as an independent in his home town of Andong, Kyongsangpuk-to.

Chong Ho-yong, ex-Army chief of staff, running an independent campaign in Taegu West-A, is drawing attention.

In a by-election in April, 1990, he was prepared to run as an independent in Taegu but dropped out all of a sudden and left for the United States for a two-year "exile."

Court Urges Equal Rights

SK1303120992 Seoul YONHAP in English 0605 GMT 13 Mar 92

[Text] Seoul, March 13 (YONHAP)—The Constitution Court ruled unamimously Friday that candidates running in the general elections as independents should have the same opportunity to campaign as their counterparts from political parties.

"Clause 3-7 of Article 55 and Article 56 of the National Assembly election law violate the constitution, because they do not give equal chances to party-nominated candidates and independent candidates," the bench ruled on an appeal by lawyer Chong In-pong, an independent in Seoul's Chongno constituency, and one other litigant.

"The current provisions allow party candidates to hold public speeches in the name of the party and to circulate two more kinds of small-sized publications than independents," the ruling said. The court session was presided over by arbiter Han Pyong-chae.

The ruling provides independents with the legal ground to give as many speeches as party candidates and to distribute six kinds of pamphlets, the same as party candidates. Currently, independents may circulate only four kinds of brochures.

The ruling conflicts, however, with a clause of the law that bars individuals from making public speeches on political topics and, therefore, is likely to prompt readjustment of campaign activities by both party and independent candidates.

If it is impossible to allow independents to give political speeches in public, party candidates will be banned from making such speeches, court sources said.

"Clause 3-7 of Article 55 is an unfair provision that may determine the election result, for it gives an advantageous position to party candidates by offering them more chances for public speeches and by depriving independents of an opportunity to rebut false allegations," the court said.

The court rejected a challenge to advertising the political views of a party head or his representative in newspapers and magazines, saying: "It does not constitute inequality of electioneering: It is a matter of legislation."

Clause 3-7 of Article 55 of the National Assembly election law allows party candidates to give four-hour-long public speeches in each city, county and ward. Article 56 allows party candidates to distribute six kinds of small-sized publications, two more than independents.

'Independents' Attack Power Base

SK1303020992 Seoul THE KOREA TIMES in English 13 Mar 92 p 1

[Text] With the Assembly elections entering into full swing and the parties' joint stumping rallies starting today, the nation's two major parties are now on the alert as their support bases are being nibbled at by independents and newly-born parties like the Unification National party.

They believe that the number of constituencies in which the candidates will wage pitched battles has increased to some 90 districts out of a total 237 across the country as independents and candidates of the new parties are faring well.

Due to the unexpected development, the ruling Democratic Liberal Party [DLP] and the opposition Democratic Party [DP] are mobilizing all possible means to lead the voters into thinking that the March 24 elections should be a game between the ruling and opposition parties.

They plan to stress through the joint stumping rallies the importance of the bi-partisan political system for stable politics.

The DLP is now concerned that it will be unable to earn the original goal of more than 60 percent or 142 of the total seats up for grabs.

About 80 candidates have sufficient support to win, 70 are in neck-and-neck competition and 80 are falling behind, according to initial estimates.

The party is frustrated by the fact that it is facing an uphill battle in Seoul and its hinterland. Even in the Kyongsang provinces which are regarded as the main power base of the party, some candidates are struggling due to the strong showing of independents, who broke ties with the ruling party.

The party plans to increase support for the candidates in competitive regions and undertake full campaign activities by mobilizing all party organizations.

The party yesterday instructed party candidates to present concrete election promises to the voters and step up offensives against the rival candidates from the major opposition Democratic Party.

The opposition Democratic Party is trying to raise wind in the electorates, judging the atmosphere is not favorable to the DP unlike past elections.

The party estimates that 50 regions are in the bag. Twenty others are seeing hot competition and candidates in about 100 others are reeling.

The party is concerned about political apathy among the people and the strong showing of the new party and independents.

It plans to develop appealing concrete policies instead of hallowed political slogans such as democracy against dictatorship.

In a bid to win support from young voters in their 20's and 30's the party will pledge to cut down the military service term.

* Kim Tong-kil Initiates Challenge

922C0071 Seoul CHOSON ILBO in Korean 20 Nov 91 p 2

[Article by reporter Kwon Sang-hun: "Movement of New Political Party Visible"]

[Text] Political power groups, that have been isolated from the two-party system of the ruling Democratic Liberal Party (DLP) and the major opposition Democratic Party (DP), are drawing attention by initiating a solidarity movement aimed at the forthcoming 14th general election.

A group that belongs to the former ruling circle is initiating a movement to establish the so-called "creative new party" and the "national nonpartisan federation." From the opposition group, Pak Chan-jong, a nonpartisan assemblyman from Socho Kap district of Seoul, started a movement to organize a new political party by founding the "Political Reform Council (PRC)" on 19 November.

Former Yonsei University Professor Kim Tong-kil, who drew attention by his remarks that "somebody has to raise a flag to break the structure of the two-Kims [Kim Yong-sam and Kim Tae-chung]," indicating a creation of a new political party, is drawing renewed attention with his plan to form a unified political party including both the ruling and opposition groups.

Professor Kim will host the founding ceremony of the Pacific Era Committee at the Trade Center's International Conference Room on 20 November and urge the necessity of new politics.

As an ideology of the committee, Kim is trying to create a new political environment to materialize democracy. In order to do so, he is urging an overall implementation of public possesion of land, and using real names in financial transactions.

Kim's position is that he would accommodate anybody who shares his ideology, regardless of past experiences, regional origination, and association with the ruling or opposition groups. Kim met with all of those who are trying to form new political parties in an effort to unify them.

Accordingly, there was a rumor that Chang Se-tong and Ko Myong-sung will join Kim, but both of them deny the rumor. Kim seems to think that he is closer to the members of the Minchong Friendship Club, a group of former Democratic Justice Party (DJP) members who lost in the 13th general election, and of the Minu Club, a group of former

DJP members who failed to be nominated as general election candidates, than to Chang and Ko.

It is known, however, that opposition circle leaders who are trying to form a new political party, including assemblymen Pak Chan-jong and Kim Kwang-il (nonpartisan assemblyman from the Central District of Pusan), and former Party for Peace and Democracy's executive committee members Yang Sun-sik and Yu Che-yon, are trying to keep a distance from Kim Tong-kil by saying, "We cannot live under the same roof with former ruling circle members."

There seem to be another division among the four because of Pak Chan-jong's independent act of forming the PRC. Although professor Kim is trying to negotiate with Kim Kwang-il, Yang and Yu, who did not join the PRC, it would be difficult to persuade them because they insist against working with the Fifth Republic officials.

In other words, there are currently three groups which are trying to form new political parties. They are former professor Kim's group, Pak Chan-jong's group, and Yang-Yu-Kim Kwang-il group.

Since Kim Tong-kil faced an obstacle from the division of the opposition circle, Kim might postpone the formation of a new party. He established instead the New Politics Council within the Pacific Era Committee in an effort to support those who will become council members in the 14th general election. Internally, the Pacific Era Committee is considering alternatives such as having individual members run for the general election or Kim Tong-kil himself run symbolically either from the Kangnam Kap district or Sodaemun Kap district in Seoul.

Kim's position is that as soon as the people, organization, and funds are secured, he will establish a political party. He is adhering to his bipartisan philosophy by saying, "Even good people will look bad depending upon timing and place."

He still seems to maintain his position that unless there is a candidate who is strong enough to break the two-Kims structure, he will run for the presidential election himself.

Although Pak Chan-jong's PRC took the initiative in the movement of forming new political parties, it is considered to be only one portion of the movement due to the failure to include all non-DP opposition members. At the founding ceremony, many former assemblymen did not show up.

Pak expects that once the PRC is functional, assemblyman Kim Kwang-il and his close associates and Kim Tong-kil's Pacific Era Committee will also join the PRC. Pak's opposition members criticized that, "Pak is too rash in putting his action only aiming at establishing his image as a presidential candidate."

The members of the established ruling and opposition parties downgraded various movements of forming new political parties by calling them "romantic ideas."

A DLP assemblyman from Seoul made a comment by saying, "Although there exists a non-DP opposition power group, the method of approach is too theoretical. An example is former Professor Kim Tong-kil's idea of raising 10 billion won in political funds from selling his books."

Another DLP assemblyman made a pessimistic comment by saying, "Once the nomination of the ruling DLP and opposition DP members for the 14th general election is finished, a movement for forming a new political party can be realized by those who are left out from the nomination. But I am pessimistic about its real power."

Parties Step Up Campaigns

SK1303121792 Seoul YONHAP in English 0624 GMT 13 Mar 92

[Text] Seoul, March 13 (YONHAP)—Political parties, stepping up their campaigns for the March 24 general elections, concentrated on economic issues Friday in areas where no leading candidates have emerged so far.

The parties continued to hold individual campaigns while taking part in joint campaign rallies and speech-making, which formally got under way Friday. Joint rallies were held in places including Kure and Koksung in South Cholla Province and Choongju in South Chungchong Province.

Kim Yong-sam, executive chairman of the Democratic Liberal Party (DLP), stumping in his home ground of South Kyongsang Province, extolled voters that the party cannot maintain stable government without scoring a decisive electoral victory in the Kyongsang provinces.

Speaking in Sanchung, Hamyang and other South Kyongysang provincial cities, Kim said the DLP and the government hope to continue their work for economic stability and welfare of the people at the time when the nation is making a great stride toward full-fledged democracy.

Kim promised voters that his party and the government will come up with an overrall measure to insure welfare of low-income workers, farmers, the handicapped and the elderly people.

The DLP will also provide support for those who are unable to work and extend low interest loans for the poor and tuition for high school students from low-income families, in addition to establishing five job training centers for the handicapped, Kim said.

Kim Chong-pil, one of the co-chairmen of the DLP, visiting Taejon city, told ralliers that the DLP would not spare any efforts to lead the Taejon Expo '93 to success.

His party and the government will also foster the growth of the Taejon industrial complex at the national level, he said.

Another DLP co-chairmen, Pak Tae-chun, toured Kapyong, Yangpyong and other cities in Kyonggi Province, north of south [as received], and told the voters that they were standing at the crossroads of continued economic success or stagnation and social confusion.

"In order to maintain stability in politics and prices," Pak added, "the Democratic Liberal Party has to win a majority in the upcoming elections."

Kim Tae-chung, co-leader of the main opposition Democratic Party (DP), attended rallies in Suwon, Pyongtaek and other cities in southern Kyonggi Province, attacking what he termed complete government failure in its economic policies.

"The Democratic Liberal Party, in a nutshell, is the party of economic failure," Kim declared. "And the nation will undoubtedly go bankrupt if we leave our economy in the hands of this party.

"The Democratic Party, therefore, should emerge as the strong party that could handle the country's economy."

Aiming his remarks at farmers, Kim accused the DLP and the government of deceiving farmers by claiming that the country will never open its market for rice and other foreign farm products while, all along, they are making farmers destitute.

Yi Ki-taek, the other DP leader, visited Ulsan, Kyongju and two other cities in South Kyongsang Province, delivering speeches in support of DP candidates in the areas and vowing to stop the DLP from victimizing workers in favor of the rich.

The National Unification Party's leader and a former chairman of the Hyundai Group, Chong Chu-yong, was in Sangju, Andong, Ulchin and several other cities in North Kyongsang Province, charging the DLP and the government with failure in their economic policies.

Earlier, the major parties were reported to have decided to launch all-out efforts to win votes in the metropolitan area in the belief that the capital and its satellite cities hold the key to victory in the elections.

The DLP's "assault plan for the metropolitan area" is a 10-day strategy to sway undecided voters in Seoul's 44 electoral districts, party insiders said.

They said recent studies showed DLP candidates leading in 13 districts, neck and neck with opposition candidates in 20 and trailing in six others. In at least 16 other constituencies, mostly in Inchon and Kyonggi Province, DLP candidates are waging uphill battles against opposition and independent challengers.

The DP has worked out a strategy aimed at winning half of the metropolitan districts by appealing to voters transplanted from the Cholla provinces and members of the young generation dissatisfied with current political and social developments.

Controversies Over Campaign Tactics, Financing

Disclosures to U.S. Embassy Cited

SK1203044192 Seoul HANGYORE SINMUN in Korean 12 Mar 92 p 2

[From the "Guest Room" column]

[Text] As campaigns for the upcoming general elections have become heated, the U.S. Embassy in Seoul seems to be more actively engaging in collecting information on the election campaign trends. In such a situation, some politicians took the flunkyist act of revealing shameful aspects of the ROK's politics to U.S. Embassy officials and stressing the U.S. role in the ROK, thereby prompting strong criticism from our people.

According to a diplomatic source on 11 March, the U.S. Embassy recently sent officials to campaign rally sites, including Edward Kloth, chief of the political affairs section [as published], in a bid to collect information and to interview candidates of both the ruling and opposition parties. Some candidates reportedly stressed the need for U.S. support and exposed shameful aspects in our domestic politics to these embassy officials, thus making them unable to suppress guffaws.

The source said: "It is understandable for the United States to collect information for its own use in today's politically sensitive period. Our politicians' act of tactfully currying favor with the United States in a bid to grasp the so-called U.S. coattails has become an object of ridicule in the country's diplomatic circles."

DP Investigated on Funding

SK1103121092 Seoul YONHAP in English 0837 GMT 11 Mar 92

[Text] Seoul, March 11 (YONHAP)—The prosecution launched an investigation of the main opposition Democratic Party [DP] Wednesday after the party announced that it had collected political funds from eight of its national constituency candidates.

A prosecutor in charge of public security told reporters that his office had already gathered information and rumors on party donations in exchange for a seat to be awarded under the system of proportional representation.

"The Supreme Prosecutor's Office has vigorously embarked on an in-depth examination into the party since the DP revealed in an announcement Tuesday that it has collected some 20.5 billion won (26.72 million U.S. dollars) from people wishing to get national constituency seats," he said.

He refused to speculate on whether the prosecution might file charges against party leaders, including Kim Tae-chung, saying only that it might take some time to consider legal action.

The ruling party was under investigation, too, he said, in connection with the information that it had sold nomination at an electoral district.

Another prosecutor confided to reporters that any legal action against the DP would be delayed, however, until after the general elections March 24 lest there be the appearance of political repression.

Under the National Assembly election law, of the 299 seats in the unicameral parliament, 237 are filled by direct election and 62 by proportional representation.

Each party nominates a ranked list of candidates for the national constituency seats, which are then awarded in strict order based on the total votes won by the party in the general elections.

The political fund law says that a person or party receiving money in exchange for a nomination can be fined up to 5 million won or sentenced to three years in prison.

Accused of Nomination Buying

SK1203031792 Seoul THE KOREA TIMES in English 12 Mar 92 p 3

[Text] Prosecutors have obtained evidence that national constituency nominees of a main opposition party paid billions of won to the party to win its tickets.

The Prosecutor General's Office (PGO) has launched a clandestine probe into the allegation over the Democratic Party's acceptance of contributions in exchange for nominations.

The contributors were ranked high by the party headquarters, which will guarantee that they will win Assembly seats.

Under the current proportional representation system, a total of 62 seats are distributed to political parties in proportion to the number of their assemblymen elected through direct elections. The other 237 legislators will be directly elected in the coming general elections slated for March 24.

The opposition party led by Kim Tae-chung has been under criticism for "trading Assembly seats for money," but the party said that the acceptance of contributions is inevitable under the current political situation.

Prosecutors said that Kuk Chong-nam, 55, president of Dail Film Co. and Kim Ok-chon, 54, president of Mudung Hotel, contributed billions of won to the party while six other financial contributors sent promissory notes to the party.

According to initial investigation results, Kuk, ranked 11th in the nominees' list, paid three billion won while Kim, ranked 8th, paid 1 billion won through Rep. Cho Sung-hyong, an aide to the party chairman.

Editorial Slams DLP Nominees

SK1203003492 Seoul CHOSON ILBO in Korean 6 Mar 92 p 3

[Editorial: "Is the National Constituency Designed To Satisfy Personal Interests?"]

[Text] The Democratic Liberal Party's [DLP's] list of candidates for the national constituency seats of the National Assembly gives us the impression that it is excessively biased due to political considerations. It reflects not a policy of good sense broadly incorporating the people's opinion but a makeshift policy aimed at satisfying President No Tae-u's personal interests and calming those who complain about the regional constituency candidacies.

What we should first notice is that out of the top 35 nominees on the list, who are virtually assured of National Assembly seats, as many as nine are from Taegu and North Kyongsang Province. The number of national constituency seats for each party for the upcoming general elections is decided not by the number of candidates of each party elected but by the number of votes cast for each party. Therefore, the national constituency this time ought to be aimed at "utilizing the dead votes [votes cast for the unsuccessful candidate of each party in the election]."

It is self-evident that the dead votes in the Honam [North and South Cholla Provinces] region will far outnumber those in Taegu and North Kyongsang Province. Nevertheless, only three people from Honam have been included in the list, revealing the influence of personal relationships in choosing the candidates.

The most typical example of personal interest considerations is that lawmaker Yi Won-cho, who is from the same hometown and same school as President No, is included in the list of candidates again. Of the 54 national constituency candidates, as many as three currently serving in the 13th National Assembly, Mr. Yi Won-cho, Mr. Chong Sok-mo, and So Sang-mok, are recommended again in the DLP candidacy. Of these three, we have little objection to lawmakers Chong and So being nominated, because lawmaker Chong had to be included in order to name lawmaker Yun Chae-ki, whom the DLP co-chairman strongly and persistently recommended, to the regional constituency, and because lawmaker So was the DLP's leading theoretician and economist in the National Assembly.

Mr Yi Won-cho displayed little activity in the National Assembly committees or main sessions, however, speaking on only a few occasions during his term, although he may have helped President No behind the scenes in financial circles outside the National

Assembly. Because the list attaches excessive importance to the president's personal relationships and compensation for being excluded from the regional constituency candidacies, the cause of refreshing and revitalizing political circles has to suffer a great setback.

Selecting the candidates for the national constituency, the DLP gave the three services of the armed forces a mechanical distribution of seats but paid no heed to the under-30 age-bracket. In selecting candidates from professional and social circles, the DLP has chosen representation from one age-bracket, revealing that the ruling party is ignorant of our society's dynamic nature.

Through the DLP's process of selecting candidates for both the regional and national constituencies, we notice the state of the DLP, which leads us to seriously worry about more than the list of candidates itself. Complaining about the list of candidates, one of the ruling party's top political leaders walked out of a meeting while being briefed on the list, revealing imprudence in stalking out of the room. Deputy Prime Minister Choe Kak-kyu, the nation's top economic policymaker, was absent from major meetings after complaining about being excluded from the list of candidates, spending one day without his whereabouts being known. It may not be too much to say that this indiscipline by the ruling party's cadres charged with the state affairs will escalate the social disorder today.

There is an undesirable tendency for various groups in society to display excessive self-interest whenever the ruling party selects candidates for the national constituency. We often see them object to being left off the list on the grounds that they are neglected. Whether a representative of a group is included in the list or not, if a group has a certain difficulty, it has ample opportunity to bring it up in state affairs. Both those who select the candidates and the people who watch the process ought to have a broader vision and thought.

DLP Funding Disclosed

SK1303014892 Seoul THE KOREA TIMES in English 13 Mar 92 p 2

[Text] Chong Chu-yong, chairman of the Unification National Party [UNP], disclosed that he gave "large sums of money" to leaders of the government party, in what is seen as part of his strategy to taint the image of political leaders and draw public attention to his newly-formed party.

In a rally for a UNP candidate in Kwangyang, Chollanam-to, Wednesday, he said, "I gave large sums of money to the leadership of the Democratic Liberal Party [DLP] in quest of the government contract for reclamation of a Kwangyang steel mill."

He stopped short of naming the DLP leaders who he said received the money and the exact amount apparently in fear of being investigated by law enforcement authorities.

On Tuesday a Hyundai subsidiary sued Chongwadae for 22.5 billion won it claims it is still owed for the construction of the new presidential office and residence, a rare action by a major firm which may be regarded as a challenge to the top authority of the nation's parochial political establishment.

The lawsuit followed charges made by Chong, founder of the nation's largest conglomerate and still its largest stockholder, in a press conference a week earlier that Chongwadae had paid less than half of the total costs of 44.3 billion won.

The remarks also reminded people of his testimony in a nationally-televised parliamentary hearing in 1988 that he handed over land to the Sajong Institute, originally supposed to be used by Chon Tu-hwan after his resignation as president, after being coerced into doing so by Chon's chief bodyguard.

President No Tae-u's staffers denied his allegation and said that all construction costs were paid, accusing Chong and the UNP of trying to arouse sympathy among the electorate in the face of the National Assembly elections.

Hyundai Construction Company's action came after a group of Hyundai chief executive officers filed a petition for the lifting of a curb on new loans for their concerns.

In his first press conference as a politician on Jan. 8, he revealed that he gave No and his predecessors money ranging from 300-10,000 million won twice—around Chusok and New Year's Day—yearly and that the total amount the president received reached 26 billion won.

No, in his press conference, explained that the money was used in accordance with the donor's wishes that it be distributed to the needy on the holidays but his image was tarnished.

Opposition parties are still demanding a full revelation of Chongwadae's fund-raising from businessmen, describing it as bribes in return for winning government contracts.

Chong went on to criticize Kim Tae-chung, chairman of the Democratic Party [DP], in his power house of Chollanam-to, for collecting 20.5 billion won from DP nominees for national constituency seats. "He (Kim) had better retire from politics and live off the money he raked in."

Hyundai Urged To Stop UNP Loans

SK1303020292 Seoul THE KOREA HERALD in English 13 Mar 92 p 8

[Text] Minister of Finance Yi Yong-man yesterday strongly called on Chong Se-yong, chairman of Hyundai Group, to immediately withdraw huge amounts of "temporary" loans to Hyundai founder Chong Chu-yong and his relatives in connection with the Unification National Party.

Meeting with Chong at his office in Kwachon, Kyonggi-to, Yi said Hyundai should collect 248.3 billion won in loans. The loans were extended to Chong Chu-yong and his family members from temporary payment accounts at its subsidiaries.

"Hyundai should exert all-out efforts to normalize the business operations of its 78 affiliates by separating enterprise management from political activities," the top financial policymaker said.

The financial structure of Hyundai Group is said to have deteriorated further because of its heavy dependency on "expensive" short-term loans and large amounts of temporary loans to its founder Chong and his relatives.

Citing Chong Chu-yong's recent remarks that the possible bankruptcy of Hyundai might deal a serious blow to the overall Korean economy, Yi said such comments have created an unstable atmosphere in the domestic financial market.

"Under these circumstances, it is natural for banks and other financial institutions to avoid the extension of fresh loans to Hyundai affiliates," he said.

Meanwhile, Hyundai Chairman Chong asked Yi to help Hyundai Motor Co. secure about $150 million through the issuance of overseas depository receipts (DR's) for new facility equipment.

Illegal Campaigning Punished

SK1103140992 Seoul YONHAP in English 0534 GMT 11 Mar 92

[Text] Seoul, March 11 (YONHAP)—The government will punish candidates who try to buy votes, voters who ask for money, political parties that abuse corporate funds, and candidates who solicit campaign funds from businesses, Home Minister Yi Sang-yon and Justice Minister Kim Ki-chun said Wednesday.

At a joint news conference on fair general elections, they said that any illegal campaigning would result in the candidate being sternly chastised regardless of his or her position in society.

Yi called on voters to reject all offers of money and gifts by candidates and stand vigil against unlawful acts by the contestants and their campaigners. The nation goes to the polls on March 24 to elect 237 lawmakers out of 1,051 candidates.

Every candidate should observe the law first and be judged by the public in a fair and clean manner, Yi said, appealing to all the parties to prevent an overheated election atmosphere.

Yi said the government had drawn up measures to ensure fair elections, such as ensuring the neutrality of public servants, banning of small administration unit chiefs from meddling in electioneering, operating election task forces in police stations and cracking down on violent acts at stumping sites.

Kim announced measures against violations of the election law.

Soliciting money, offering money, blackmail, slander, violence against candidates or campaigners, illegal campaigning by party officials and interference by public workers will be moved against strongly, Kim said.

If a winning candidate's secretary-general for election affairs is sentenced to prison for ballot-buying or spending more on the election campaign than allowed by the law, the candidate will automatically lose his national assembly seat, Kim said.

"So far, the prosecution has booked 190 election lawbreakers without physical detention for further investigation and recently arrested 15 of them for committing violent crimes," the justice minister said.

Candidates Campaign From Prison

SK1203023192 Seoul THE KOREA HERALD in English 12 Mar 92 pp 2,3

[Text] Even in prison, Yi Kang-tu has not given up hope for a seat in the Assembly. Through aides, he registered with election authorities as a runner for the March 24 elections before the Friday deadline.

Yi is one of four candidates running in the legislative elections while under custody, awaiting trial for violating election laws.

In addition to these candidates, some others are drawing media and voter attention for unusual circumstances in which they are placed.

Some may be serious cases. But some are gossipy ones like the incident of an opposition candidate who falsely claimed to be the fiance of well-known dissident Yim Su-kyong.

Yi, then a nominee of the ruling Democratic Liberal Party [DLP], was arrested late last month for allegedly dolling out money to potential voters during a rally in his electoral district of Kochang, South Kyongsang Province.

The DLP instantly revoked the nomination of Yi, 55, who once served as minister at the Korean Embassy in Moscow.

The party appointed a new nominee for the district, but many of Yi's followers have not accepted the replacement. They appear to think that Yi became a "political scapegoat."

No Cha-tae, an independent running in a Pusan district, is now also in prison. He is charged with violating election laws, too.

No's campaign is mainly run by his wife and four daughters-law, who are now waging a sign-in campaign to protest his arrest, in his electoral district of Yongdo-ku (ward).

In the past, a few parliamentary candidates, all of them opposition runners, were elected while in jail.

Yi Hak-pong, a ruling party lawmaker, registered as a candidate in Kimhae, Kyongsangnam-to, but he was disqualified. The charge against him was upheld by the Supreme Court Tuesday.

A one-time senior presidential secretary for petitions and information under former President Chon Tu-hwan, Yi had been convicted of abuse of power.

In anticipation of the highest court ruling, Yi had his wife registered as a candidate in his district. The wife will vie with Kim Yong-il, a ruling party candidate who worked for President No Tae-u as senior aide for justice and inspection till early last month.

Some critics say that Yi was "hurriedly" deprived of his right to run in the elections to enable the ruling party candidate to win in the balloting.

Meanwhile, Yi Mun-ok, a former government inspector, is running as an independent in the heart of Kwangju, the stronghold of opposition leader Kim Tae-chung. He was put up by a coalition of civic organizations as a "representative of the people."

About two years ago, Yi leaked "national secrets" including the controversial land holding of "chaebol" (large business conglomerates) to the press, instantly becoming a national celebrity.

He was fired from the Board of Audit and Inspection, however.

The dead heat in the Kwangju-A constituency is drawing a lot of attention from non-Cholla residents as well as citizens there.

Oddly enough, a young man who claimed that he was engaged to the nationally known jailed student Yim Su-kyong, was disqualified.

Yi Sang-yol had been chosen by the little-known Party for New Political Reform as a candidate in a Seoul district.

The party, however, dumped him after receiving a strong protest from Yim's family and Yi's allegation was found to be false.

"Yi (president of the Hannam University Student Council) appeared to have loved Yim one-sidedly," the official quoted Yim's mother as saying.

The student is in jail for making an unauthorized trip to Communist North Korea about three years ago. North Korea has strongly demanded her release.

PRC's Li Peng To Use South's Official Name

SK1303095092 Seoul CHUNGANG ILBO in Korean 13 Mar 92 p 2

[Text] The Chinese Government has decided to call our country the ROK, its official name, instead of South Korea or the south of Korea, which are the names it has been using for our country to date.

According to a reliable source on Chinese affairs, Chinese Premier Li Peng decided on 13 March to call our country the ROK in "the report on government work" he is to make at the opening session of the fifth plenary meeting of the Seventh National People's Congress [NPC] to be held in Beijing on 20 March.

According to this source, Premier Li Peng has decided to call our country by its official name, the ROK, in his "report on government work" when he mentions Chinese Government policy on the Korean peninsula in the foreign policy part of the report.

It will be the first time for Premier Li Peng, who represents the Chinese State Council, to call our country by its official name at the NPC, the Chinese National Assembly. Therefore, this is considered as giving a green light to the development of relations between the two countries, including the establishment of diplomatic relations.

Visiting PRC Official on Linking Air Routes

SK1203013992 Seoul YONHAP in English 0124 GMT 12 Mar 92

[Text] Seoul, March 12 (OANA-YONHAP)—The first regular air route between South Korea and China will be likely to be opened in the first half of the year, a Chinese official said Thursday.

Mei Jun, deputy director of the Shanghai Municipal Tourism Administration, said regular Korea-China flight service involving Seoul and Shanghai would be started soon. Political reasons have delayed the flight service, he added.

Korea and China were coming closer to the establishment of diplomatic ties and bilateral relations were improving rapidly, Mei said. A guest of the Seil Tour System, a private tourist agency, is leading a Chinese team to attract Korean tourists.

If a Seoul-Shanghai air route were opened, Seoul-Beijing and Seoul-Tianjin routes would very likely follow, he said.

Mei's team is to visit the Transportation Ministry and Korean Air during their stay for discussions on air routes between the two nations, team member Yuan Dong-fa said.

Yuan, traffic and marketing division director of China Eastern Airline, said China Eastern was ready to start a service between Seoul and Shanghai at any time.

Burma

Delegations Leave Rangoon for Foreign Visits

To Yunnan for Border Talks

BK1203023792 Rangoon Radio Burma in Burmese 1330 GMT 11 Mar 92

[Text] A Myanmar [Burmese] technical delegation led by Captain Tun Aung, commander of the Naval Hydrographic Depot of the Ministry of Defense, has left Yangon [Rangoon] by air today to attend the tripartite meeting of Myanmar, the Lao People's Democratic Republic [LPDR], and the People's Republic of China on border demarcation work at the juncture of the three countries to be held in Jinghong in the Yunnan Province from 13 to 17 March.

The members of the delegation include: U Mya Thein, director general of the Land Survey Department; U Nyunt Maung Shein, director of the Border Department of the Ministry of Foreign Affairs; Lieutenant Colonel Pe Nyein, general staff officer, grade one, of the Office of the Commander in Chief of the Army; Naval Commander San Myint, deputy commander of the Naval Hydrographic Depot; Major Than Tun, general staff officer, grade two, of the Office of the Commander in Chief of the Army; U Khin Maung Win, section chief of the Border Department of the Ministry of Foreign Affairs; and U Maung Maung, advisor to the Land Survey Department.

The delegation was seen off at the airport by officials from the embassies of the LPDR and PRC and departments concerned.

To Bangkok for Drug Talks

BK1203150392 Rangoon Radio Burma in Burmese 1330 GMT 12 Mar 92

[Text] At the invitation of Mr. Phao Sarasin, deputy prime minister and chairman of the Narcotic Suppression Committee of Thailand, Lieutenant General Phone Myint, minister for home and religious affairs, and chairman of the Central Committee for Drug Abuse Control [CCDAC] of the Union of Myanmar [Burma], and a Myanmar delegation left for Bangkok by Myanmar Airways to attend a Myanmar, Thai, and Lao, trilateral ministerial meeting on narcotics suppression to be held in Thailand from 12-15 March 1992.

The Myanmar delegation comprises U Ohn Gyaw, minister for foreign affairs, and vice chairman of CCDAC; Police General San Thein, director general of People's Police Force and secretary of CCDAC; U Tin Hlaing, managing director of Myanmar Agricultural Service; Lieutenant Colonel Kyaw Thein from the office of the director, Directorate of Defense Services Intelligence, Ministry of Defense; Police Lt. Col. Khin Maung Win, personal officer of the minister for home and religious affairs; and Daw Moe Thuzar, personal officer of the minister for foreign affairs.

The delegation was seen off at Yangon [Rangoon] Airport by Lt. Gen. Sein Aung, member of the State Law and Order Restoration Council [SLORC] and minister for industry-1; Major General Tin U, secretary-2 of SLORC; Maj. Gen. Myo Nyunt, member of SLORC and chairman of Yangon Division Law and Order Restoration Council; Brigadier General Abel, minister for planning and finance and for trade; Brig. Gen. Thaung Myint, minister for social welfare, relief and resettlement; U Soe Tha, minister for communications, post, and telegraphs; Lt. Col. Than Nyunt, deputy minister for home and religious affairs; Mr. Wirasak Futrakun, Thai ambassador, and embassy officials; responsible personnel from the Ministry of Home and Religious Affairs, and the Ministry of Foreign Affairs.

SLORC Abolishes Nine More Political Parties

BK1103153192 Rangoon Radio Burma in Burmese 1330 GMT 11 Mar 92

[Order No. 7/92 of the State Law and Order Restoration Council; dated 11 March 1992]

[Text] The following is an order abolishing some political parties:

1. At present there remain only 29 legal political parties under the political parties registration law. This is because the State Law and Order Restoration Council [SLORC] by issuing orders, has abolished some political parties for various reasons, while the commission for holding multiparty democratic general elections has revoked the registration of some political parties.

2. The elections commission has scrutinized the organizational standing, organizational progress, party membership, and party strength of registered political parties. It believes that these political parties have reached a reasonable stage of stability in organizational standing and progress, after having been granted registration as political parties and having engaged in organizational activities for about three years.

3. In scrutinizing political parties, it has been found that some have been unable to present specific party membership and party branch lists. Some have even been unable to specify their party's political aims and objectives, while some of its responsible personnel have been found to be lacking in abiding with existing laws. Others have neglected their organizational activities because they thought their party's standing was based on representatives' being elected.

The commission believes that in implementing a compact and stable democratic system, such political parties should not be allowed to continue to exist.

4. As such, the SLORC, in accordance with the submission of the election commission, has abolished the following political parties with effect from today:

A. Kamans National League for Democracy.

B. Democratic Organization for Kayan National Unity.
C. Zomi National Congress.
D. Democracy Party.
E. Graduates and Old Students Democratic Association.
F. United Nationalities League for Democracy.
G. Mara People's Party, MPP.
H. Patriotic Old Comrades League.
I. Democratic Front for National Reconstruction, Union of
Burma.

5. This order shall have the force of law.

By the authority vested in me

Signed: Khin Nyunt, Major General, secretary-1 of SLORC

Brunei, Malaysia & Singapore

Malaysia

Article Discusses PRC Claim Over Spratlys

BK1103134392 Singapore THE STRAITS TIMES in English 11 Mar 92 p 24

[By Kuala Lumpur correspondent Ismail Kassim]

[Text] Kuala Lumpur—China's warning that it reserves the right under a new law to use force to protect its sovereignty over the strategic Spratly archipelago and other islands has again raised the spectre of armed clashes in the South China Sea.

It is the most dramatic development since the scramble began in the early 80s for the resource- and mineral-rich region of hundreds of widely dispersed islands, reefs and atolls, sitting amidst strategic sea lanes connecting East and West.

"Don't forget, they (the Chinese) have a track record of using force. They are also the only country in a position to use force in that part of the world," said Dr Zakaria Ahmad, head of Universiti Kebangsaan Malaysia's Strategic and Security unit.

The initial statement from Foreign Minister Datuk Abdullah Ahmad Badawi reflected his anxieties.

"We must avoid military conflict at all costs," he said.

Japan, which has a dispute with China over Senkaku islands located southwest of Okinawa, immediately rejected the law and lodged a verbal protest through its embassy in Beijing.

Aside from China, Taiwan and Vietnam (all three claim the entire Spratlys), three ASEAN nations—Malaysia, Philippines and the tiny kingdom of Brunei Darussalam—have vital stakes in some of the reefs which fall within their 200-nautical-mile Exclusive Economic Zone [EEZ].

And all of them have pledged to defend their possessions to their last drop of blood rather than relinquish them to the Chinese.

Said Malaysian army chief Gen Tan Sri Yaacob Zain: "Even though we do not have the capability to go to war with China in view of its military strength and equipment, we'll try to defend our rights as far as we are able to."

Taiwan and China have almost identical positions on the Spratlys, basing them on the same historical factors.

Despite their ideological differences, both have proved to be mutually supportive of each other over the issue.

With the exception of Brunei, the other five have stationed troops on some of the islands they occupied to underline their sovereignty.

Diplomats here said the overlapping claims made for one of the most complex disputes in the world as it pitted each claimant against several others.

Until Beijing moved suddenly to pass the law on Feb 25, proclaiming its suzerainty over the entire archipelago and empowering its armed forces with the right to expel intruders, there were hopes that the confidence-building measures undertaken by ASEAN might result in a peaceful settlement.

Last July, the second workshop on the Spratlys organised by Indonesia and attended by 10 countries—the six ASEAN members, China, Vietnam, Taiwan and Laos—was held at Bandung to promote a peaceful solution.

All the parties agreed to continue the dialogue in the middle of this year in Jogjakarta.

The rationale for the Indonesian initiative was that Indonesia, whose territories extended to the South China Sea, could not watch idly and ignore the ubiquitousness of the problem.

Though it has no claims, observers said it had a strategic interest in the issue.

The question now being asked in capitals from Hanoi to Kuala Lumpur to Manila is whether China has reversed its long-standing position of seeking a peaceful solution through negotiations.

As a Malaysian Foreign Ministry official put it: "Is it a new ball game?"

The Malaysians have been particularly peeved as both Premier Li Peng in December 1990 and President Yang Shangkun in January this year, during their state visits to Malaysia, gave assurances on the non-use of force.

Both assured their Malaysian counterparts that China was in favour of talks and joint development of the Spratlys.

As the former stated explicitly in Kuala Lumpur: "China hopes to negotiate with related countries and settle the

Spratlys at a suitable time through friendly means. Before this, the question (of sovereignty) can be shelved."

All the disputants realise that China has twice resorted to force, both times against the Vietnamese. The first was in 1973 when it ejected the Vietnamese from the Paracels, which lie further north, and in 1988 further south in the Spratlys.

Of course, diplomatic observers and analysts here do not expect China to start flexing its muscles immediately in the disputed zone.

The diplomats are not sure what motivated China to push through its controversial law so suddenly and without any warning.

The assistant director-general of the Malaysian Institute of Strategic and International Studies [ISIS], Dr B.A. Hamazah, felt that its move could be a response to the unilateral actions of other parties such as the agreements between Vietnam and Malaysia to exploit jointly the areas in which their claims overlapped.

"It might have been prompted by fears of being excluded and of being deprived of the economic benefits of joint development," he said.

Dr Zakaria agreed. "I think the Chinese want to send a message, a reminder to the others not to forget that China is a key player in the Spratlys," he said.

There is as yet no consensus among observers on the impact of the Chinese action. Some diplomats said it was just sabre-rattling.

"You don't expect China to keep while other countries are reinforcing their troops and developing the islands they occupied, individually and jointly," said an Asean diplomat.

Others think it could be symptomatic of China's hegemonic designs in the region following the disintegration of the Soviet Union and the scaling down of the American presence in the region.

As Dr Hamzah put it, could it be a foretaste of Chinese behaviour in the emerging post-Cold War Order?

There is no nation in the South-east Asian region strong enough to check the military might of China. This might lead it to feel that it could exert its will over the Spratlys with impunity.

"The passage of the new legislation is illegal under international law. It is tantamount to turning the South China Sea into an internal Chinese lake," said Dr Hamzah.

His ISIS colleague, senior defence analyst Mak Joo Nam, felt that the passage of the Chinese law on the Spratlys would make Beijing inflexible on the issue. "By legalising its official stand on the dispute, there is now little room for compromise," he said.

At the moment, Vietnam occupies about 24 islands in the western part, about 400 km south-east of its coastline.

The Philippines holds nine islands and reefs in the eastern part, while tiny Brunei considers Louisa reef, which is submerged during high tide, as belonging to it because of its location within the country's EEZ. [Exclusive Economic Zone]

Malaysia, which claims about a dozen islands in the southern part about 320 km north-west of the Sabah coast, sent troops in 1983 to occupy several, including Terumbu Layang Layang. The latter has been developed into a tourist resort for deep-sea divers.

All of them fall within its EEZ. By staking its claim, Malaysia has found itself embroiled in disputed with China, Taiwan, Vietnam over Amboyna Cay, with the the Philippines over Commodore reef and with Brunei over Louisa reef.

Taiwan took hold of only Itu Aba and turned the island—the largest in the archipelago—into a naval facility.

As for China, Dr Hamzah said previous reports of Chinese possession in the Spratlys were misleading.

By his reckoning, its influence is the most pervasive considering that it has set up numerous weather-monitoring stations and the fact that its maritime strength is the greatest among all the claimants.

Dr Hamzah said that, apart from creating some jitters, the Chinese action had also complicated current efforts at building confidence in the South China Sea and could affect its bilateral relations with India, Japan and the Asean countries.

"It may even force Japan to re-arm if it feels that China is in a position to choke its sea lanes in the Spratlys," he said.

One question that cannot be answered at this juncture is whether China's new Spratlys policy is part of its long-term policy towards Asean and South-east Asia.

In the past, said Mr Ji Quoxing of the Shanghai Institue of International studies, it had insisted that the two were inseparable.

In a paper on the Spratlys dispute and prospects for settlement just released by ISIS, he argued that China would opot for a military solution only as a last resort because it wanted to establish good relations with countries in South east Asia.

The United States, which has expressed concern over the latest development in the South China Sea, is not expected to intervene if armed clashes break out.

Said Mr. Mark: "The Philippines wanted to invoke the Manila Pact in the past to involve the Americans in defending their part of the Spartlys but the US said 'no way'."

Diplomats said it would be difficult to mobilise world opinion in the the United Nations against any power which resorted to violence over the owership dispute, it will not be seen as naked aggression, as in the Iraqi occupation of Kuwait," [quotation marks as published] said one of them.

PRC Delegation To Finalize Palm Oil Deal

BK1003151092 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 10 Mar 92

[Text] China is expected to finalize a U.S. $100 million credit facility to purchase 300,000 tonnes of Malaysian palm oil per year with Bank Negara [Central Bank] soon. Primary Industries Minister Datuk Sri Dr. Lim Keng Yaik says a four-member trade delegation to be led by senior officials from China's Ministry of Foreign Economic and Trade Relations would be in Kuala Lumpur on the 24th of this month to discuss and finalize the terms and conditions of the credit facility. The facility has also been offered to other major buyers of the local palm oil such as Pakistan, India, and the Commonwealth of Independent States. Algeria had taken up a credit facility of $50 million to purchase 200,000 tonnes of palm oil from Malaysia last month.

Datuk Sri Dr. Lim was speaking to reporters after receiving China's minister of machine-building and electronics industry, Mr. He Guangyuan, at his office. He also noted that China was currently reviewing its vegetable oil import policy due to the excessive imports of palm oil into China last year, which had affected the country's traditional edible oil [words indistinct].

According to Datuk Sri Dr. Lim, besides China, two delegations from India and the Commonwealth of Independent States would also be in the federal capital some time this month to discuss the same credit facilities offered by Bank Negara. Both countries are expected to take up the $150 million credit facility for the purchase of 300,000 tonnes of palm oil per year. Earlier, during his closed-door meeting with Mr. He Guangyuan, the minister said the Chinese delegation is on a fact-finding mission to explore the possibility of bidding for tenders in infrastructure and hydroelectric projects in Malaysia.

PRC Fourth Largest Buyer

BK1003090092 Kuala Lumpur Voice of Malaysia in English 0800 GMT 10 Mar 92

[Text] Malaysia is to increase its exports, especially palm oil to China. It will also intensify efforts to enhance bilateral relations, particularly in trade between the two countries. The minister of works, Datuk Leo Moggie, told reporters this after meeting with Chinese Minister of Machine-Building and Electronics Industry He Guangyuan and his delegation in Kuala Lumpur today.

Datuk Moggie said the Chinese delegation had shown interest to increase the volume of trade with Malaysia. In this connection, Malaysia will continue to encourage China to purchase more palm oil in the future. China is the fourth largest buyer of the commodity. The republic imported more than 700,000 tonnes of the Malaysian palm oil last year.

On the second link between Johor and Singapore, Datuk Moggie said a technical committee meeting will be held on the island republic on the 17th of this month to discuss details of the project.

Over 42,000 Illegal Foreign Workers Registered

BK1003103092 Kuala Lumpur BERNAMA in English 0855 GMT 10 Mar 92

[Text] Kuala Lumpur, March 10 (OANA-BERNAMA)—More than 42,000 illegal foreign workers, mainly Indonesians, have registered with the Immigration Department up to Monday.

Immigration Department Public Relations Officer Mohamed Aris Chonin said Tuesday 33,192 of the workers were registered in the construction sector, 7,634 in the domestic maids sector, and 1,545 in the estate sector.

Begun on Nov. 1 last year, the registration exercise was aimed at controlling the influx of illegal foreign workers, mostly from Indonesia, to the country.

Aris told BERNAMA Indonesia topped the list with 30,762 workers registered, followed by Bangladesh 5,868, Myanmar [Burma] 3,135, India 1,749, Thailand 450, Pakistan 330, Sri Lanka 40, the Philippines 12, and other nationals 25.

Meanwhile, about 20,000 illegal immigrants from Indonesia working in the estate and construction sectors in the southern Johor State had yet to register.

An estimated 30,000 illegal immigrants were reported to be working in Johor, according to the chief minister of the state, Muhyiddin Yassin.

ASEAN Not Forced To Forge Military Pact

BK1103151692 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 11 Mar 92

[Text] Chief of Defense Forces General Tan Sri Hashim Ali says ASEAN nations are interdependent and no country should regard itself as self-reliant. Close cooperation between the ASEAN-member countries would make outsiders think twice before deciding to attack against any member country.

He said this in his farewell message at the third division headquarters in Terendak Camp, near Melaka. Gen. Tan Sri Hashim, however, stresses that the close ties among the ASEAN nations do not mean that ASEAN should establish a military pact.

Gen. Tan Sri Hashim will retire on April 10. He will be succeeded by Army Chief General Tan Sri Yaakob Mohmamed Zain.

Melaka Government Bans Muslim Missionary Group

BK1103145892 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 11 Mar 92

[Text] Melaka has banned the activities of the Tabliq group with immediate effect. The state government directed the board of Mosques, Suraus, and Madrasahs to prohibit members of the group from carrying out "dakwah" [missionary] activities and giving "ceramah" [talks] in such places.

Announcing the ban, Chief Minister Tan Sri Abdul Rahim Tambi Chik said the decision was taken to prevent the Muslim community from being misled by the group. The decision was made at the state executive council meeting in line with the views of Muftis expressed at the National Fatwa Council meeting in Kuala Lumpur recently. Tan Sri Abdul Rahim said the group was overindulging in matters relating to life here after to the extent of shunning worldly things and neglecting responsibilities towards their families.

Tabliq, a "dakwah" organization based in India is believed to have many followers in Malaysia.

Cambodia

Son Sann Welcomes Sihanouk to Banteay Chhma

BK1203104192 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 12 Mar 92

[Speech by His Excellency Son Sann, president of the Khmer People's National Liberation Front and member of the Cambodian Supreme National Council, welcoming His Royal Highness Prince Norodom Sihanouk during his 25 February visit to the KPNLF-controlled zone of Banteay Chhma—recorded]

[Text] My respects to His Royal Highness [HRH] Norodom Sihanouk and the princess consort, excellencies, ladies, and gentlemen:

To the Cambodian people who have experienced long misery and who have fought for national liberation under your personal leadership, your highness' visit to Banteay Chhma, a remote region of our beloved country, is certainly a precious reward and an encouragement to those who have faith in their combat mission under HRH Prince Norodom Sihanouk's lofty leadership. Your Highness' august presence in every place of the nation is a testimony that you symbolize the great unity and solidarity [applause and cheers] of the Cambodian people, the indomitability of Cambodia, and its territorial integrity. More than anything else, your highness is the symbol of Cambodia's national reconciliation. [applause and cheering]

In this spirit of national reconciliation, the Khmer People's National Liberation Front [KPNLF] has stopped all kinds of criticism and has proposed a formula on the creation of the Cambodian Supreme National Council [SNC] committees headed by each SNC member in accordance with his capability to advise the UNTAC [UN Transitional Authority in Cambodia], which will arrive soon. Through this formula, we Cambodians may learn to work together and find a consensus in the spirit of forgiveness for the superior interests of the nation.

Since its founding in October 1979, the KPNLF has solemnly declared its policy of assisting, serving, and defending the people against their enemies, be they oppressors, exploiters, or aggressor countries. Not unlike your highness, the KPNLF also respects the fundamental rights and freedoms of citizens such as the freedom of expression, freedom of worship, respect for human rights, liberal democracy, and a free-market economy for the society—that is, a free, appropriate economy and social justice. There can be no social stability without social justice. Otherwise, dictatorship would ultimately come into existence, thereby affecting the interests of the Cambodian people and the good name of our nation. It is for this reason that KPNLF has chosen nation, religion, and people as its motto.

I thank our civilian cadres; our conscientious military officers who have displayed great feats in serving the Khmer people [words indistinct] as well as in health care, economy, and education, working hard to respond to the needs of the civilian population despite shortage and scarcity; [words indistinct], the future of Cambodia; and our venerable monks who have contributed greatly to building society, ethics, and religion. I also commend the international and private humanitarian organizations, especially the UN Border Relief Organization and other UN institutions; Monaco Aide [word indistinct] under the royal patronage of Princess Grace; Association Francaise de Solidarite; Adventist Relief Agency; [word indistinct] Relief Service with Fathers [names indistinct] among the members of the [word indistinct] monks; and COERR [Catholic Office for Emergency Relief and Refugees] for supporting and assisting us during difficult times and for their continued exemplary service and help to our Khmer people. [applause]

I specially thank the French Government and people for their generous rice donation to the SNC through HRH Prince Norodom Sihanouk. We thank the PRC Government and people for their generous contribution that has enabled us to transport that rice from Phnom Penh to here.

This ancient temple of Banteay Chhma was built by King Jayavarman VII. It remains the sole depository of the insciptions describing the expeditions of the warriors regarded as the king's four bodyguards and comrades in arms. These warriors fell in combat as they fought for the nation against foreign aggressors in the early 13th century. This abandoned temple deserves the attention of

UNESCO and other international institutions. It may well become a tourist site and contribute to the development of the surrounding region. Banteay Chhma temple, like many other examples of our cultural heritage in the country, has been neglected and has fallen to dilapidation and looting. On this occasion, I would like to thank His Excellency [Japanese Ambassador] Imagawa and, through him, Japan for promising to help repair this temple. [applause]

Your Highness Prince Norodom Sihanouk and the princess consort, excellencies, ladies, and gentlemen, I would like to ask the two royal highnesses and all honored guests, both Cambodians and foreigners, to forgive us for our unintentional shortcomings, if any.

In conclusion, on behalf of all Khmer people present here, on behalf of the civilian authorities, and on behalf of the male and female combatants of the KPNLF, I once again express our profound respects to your highness and the princess consort for visiting us despite your very tight schedule, in order to render justice to the loyal mission and struggle we have all carried out for the nation and our leader.

I also thank your excellencies, ladies, and gentlemen from the diplomatic corps, especially those representing the Big Five and ASEAN. Your courageous presence inspires us and is a sign of your resolute goodwill to contribute to peace and reconciliation in Cambodia, as you have to travel on difficult roads through remote forests to honor our legitimate and legal leader's historic royal visit to Banteay Chhma. Thank you. [applause]

Dismantling of Phnom Penh A-3 Police Urged

BK1303042392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 12 Mar 92

[Text] According to reports from Phnom Penh, on 10 March the Vietnamese sent their men from the A-3 Police to shoot a deputy editor of a Khmer People's National Liberation Front newspaper. The deputy editor was wounded.

According to successive reports received by our radio, the Vietnamese have organized A-3 Police forces to carry out all kinds of criminal activities to prevent members of the Supreme National Council from the Cambodian national resistance forces and their colleagues from working in Phnom Penh in line with the 23 October Paris agreement.

To ensure effective implementation of the Paris agreement, it is imperative for the UN peacekeeping force to disarm and dismantle the A-3 Police of the Phnom Penh side and turn Phnom Penh into a neutral zone.

Early Mar Cease-Fire Violations Said Increased

BK1303125392 Phnom Penh SPK in French 1111 GMT 13 Mar 92

[Text] Phnom Penh 13 Mar (SPK)—According to military sources, on 9 March the Khmer Rouge [KR] blew up three bridges on National Route 12 which partially divides the provinces of Preah Vihear and Kompong Thom in the northern part of the country. This was the second attack by the KR on National Route 12 since their ambush in mid-February against a goods convoy which resulted in torching two vehicles.

The same sources add that on 6 and 7 March around 200 KR from Divisions 20 and 450 penetrated Boeng Kandal and are making preparations to attack the forces of the State of Cambodia [SOC] in that sector.

The SOC has on many occasions denounced the KR violations of the cease-fire imposed by the Paris peace accords, and has demanded that they immediately stop them.

UN Official Cited on SRV Troops in Siem Reap

BK1203025492 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 11 Mar 92

[Text] According to various sources, a UN high-ranking military official said recently that a unit of Vietnamese soldiers is stationed near Siem Reap town. He said these Vietnamese soldiers are hiding in the Phnom Penh army.

The Paris agreement dated 23 October 1991 directs supervision of the total withdrawal of all categories of Vietnamese aggressor forces from Cambodia.

The Cambodian national resistance forces have repeatedly called on the UN Transitional Authority in Cambodia and the Supreme National Council to jointly supervise the withdrawal of Vietnamese aggressor forces from Cambodia and proposed the checkpoints to control Vietnamese forces, particularly in the eastern part of Cambodia, which include: Bar Kev, Stung Treng, Memot, Krek, Snuol, Kratie, Kompong Cham, Bavet, Neak Luong, K'am Samnar, Prek Chrey, Phnum Den, (Laok), Kompong Trach, and Kompong Som.

Thai Official Urges Mekong Committee Overhaul

BK1203101692 Phnom Penh SPK in English 0420 GMT 12 Mar 92

[Text] Phnom Penh SPK March 12—Thai Deputy Foreign Minister Wichian Watthanakhun paid a one-day visit here Wednesday to push Thailand's controversial proposal to restructure the Mekong Committee, reports AFP.

Wichian met Phnom Penh Foreign Minister Hor Namhong, who reiterated Cambodia's demand for immediate

readmission into the economic development organization formed by Thailand, Cambodia, Laos, and South Vietnam in 1957, a Foreign Ministry source said.

Thailand, Laos, and Vietnam formed the Mekong Interim Committee (MIC) in 1978 after Cambodia's Khmer Rouge Government stopped attending meetings.

Now Thailand has proposed reorganizing the committee to include China and Burma. Diplomatic sources say Thailand is seeking a way to readmit Cambodia without risking vetos of major hydropower and irrigation projects in Northeast Thailand approved by the MIC.

The Mekong Committee was formed to coordinate development of the 4,000-kilometer (2,400-mile) Mekong, which is Indochina's lifeline.

Indonesia

Murdani Views Making E. Timor 'Special' Region

BK1203100692 Jakarta THE JAKARTA POST in English 3 Mar 92 p 3

[Text] Jakarta (JP)—Minister of Defense and Security Affairs General (retired) L. B. Murdani has said that a thorough research is required before the government decides whether or nor to make East Timor a "special" region.

"Basically, there isn't any region which gets special treatment from the government, even though the name is 'special'. What the Government has given to the regions is special attention, and East Timor has got it," Murdani told students at the Catholic Institute of Philosophy in Maumere on Flores island, west of Timor, last weekend.

Murdani was quoted by KOMPAS as suggesting that East Timor improved its regional strength to enable it to compete with other regions in the country.

Indonesia has three so-called "special" regions: Jakarta, Yogyakarta, and Aceh. Jakarta receives the status as it is the capital of the country, while the others get their title because of their historical background, as the kings in the areas has struggled against colonial government. They are not autonomous and the only special thing about them is that they obtained the status of provinces.

East Timor Bishop Carlos Belo last week called on the government to make the province an autonomous region.

In his lecture, Murdani also lashed out at some groups in East Timor who had likened human rights to the right to rebel against the country.

The government and the Armed Forces (ABRI) would not tolerate such ways of thinking, especially when this was followed by "brutal" actions as demonstrated during the Dili incident, Murdani said.

The minister was referring to the November 12 incident inwhich some 50 people were killed when troops clashed with demonstrators.

Murdani said that he regretted the incident which resulted in some people being killed, "but the government had never ordered the the shooting against the youths, who were influenced by the wrong perception of human rights."

The minister said that he observed that Cardinal Giovani, the envoy of Pope John Paul II who visited Dili after the bloody incident, also confused human rights with the right to secede.

Dili Defendants To Be Heard in 'Non-Stop' Trial

BK1203115692 Jakarta ANTARA in English 1048 GMT 12 Mar 92

[Text] Jakarta, March 12 (OANA-ANTARA)—The district court in central Jakarta plans to organize non-stop trials everyday except Friday for five defendants allegedly involved in the Dili incident in East Timor, last year, the head of the district court, Saragih said here on Thursday.

Two defendants namely [All initials] JFDC (36) and FDA (26), charged with subversive actions will be heard starting March 16 while the other three charged with general crimes, on March 17, he said.

JFDC and FDA have been accused as members of a group which deliberately organized, led and mobilized the mass when the anti-integration demonstration occured in Dili on November 12, 1991 the head of the higher court here, B.T.P. Siregar, said.

These two defendants are threatened with a maximum death penalty while the three others with an imprisonment ranging from five to nine years, he said.

Regarding 17 others who have also been detained in connection with the case, Siregar said they have been freed or have their detention suspended because most of them had only been deceived or misled to join the violent demonstration.

The five defendants immediately facing trails are being held at Salemba and Cipinang penitentiaries or the Jakarta police headquaters detention house.

Reform of 'Controversial' Clove System Urged

BK1103064892 Hong Kong AFP in English 0631 GMT 11 Mar 92

[Text] Jakarta, March 11 (AFP)—President Suharto has called for Indonesia's controversial clove trading system to be reformed, but only in such a way as would not hurt the interests of growers, THE JAKARTA POST reported Wednesday. "The president told us to immediately restore the clove trading system in such a way that will not hurt clove growers," THE JAKARTA POST quoted

Minister of Trade Arifin Siregar as saying after a meeting with Kumhal Djamil, the head of National Clove Trade (BCN), and the president.

The Clove Marketing and Stock Managing Board (BPPC), chaired by President Suharto's youngest son, Hutomo Mandala Putera Suharto, was set up at the end of 1990 to help prop up sagging clove prices. Its activities are monitored by the BCN, an offshoot of the trade ministry.

The consortium of several companies has a monopoly on buying cloves from farmers and selling them to the makers of the Indonesia's clove-flavored "kretek" cigarettes, the commodity's largest buyers.

But Kretek makers have been reluctant to buy from BPPC citing high prices.

The board has been selling cloves to kretek makers at over 12,000 rupiah (six dollars) a kilogram, even though purchase prices have been far below their 7,000-rupiah (3.6-dollar) floor price set by the government.

The central bank has already provided BPPC with a total of 759 billion rupiah (378 million dollars) in low-cost loans in 1991 to buy cloves from village cooperatives and cover stock costs.

The government has also forced kretek manufacturers to buy their cloves from the BPPC despite their already large stocks by requiring them them to produce their clove purchase slips when obtain excise bands for their cigarette packets.

"Since the BPPC's operation clove prices have not declined to below 2,000 (one dollar) a kilogram, a price level recorded before the introduction of regulations on clove trading, Siregar said. He gave no reasen why Suharto was considering reforming the clove trade system.

He said the government was now assessing the possibility of lowering the floor price, adding that having it high would encourage farmers to increase their production which would destabilize prices.

Last month, the BPPC proposed resolving the problem caused by overstocking due to last year's good harvest by burning half of this year's crop and enforcing an obligatory conversion of around 30 percent of land planted with cloves to other purposes.

The newspaper quoted Minister of Agriculture Wardoyo as saying the government would reject this proposal as it would hurt clove growers, who are mostly small-scale farmers.

Alatas Urges Burma To 'Solve' Rohingya Problem

BK1303020592 Hong Kong AFP in English 0305 GMT 12 Mar 92

[Text] Jakarta, March 12 (AFP)—Indonesia's government has expressed concern over the exodus of Muslim refugees from Burma to Bangladesh, press reported here Thursday.

"Indonesia appeals to the (Burma) government to take the necessary steps to solve the problem regarding the Rohingya ethnic group," the JAKARTA POST daily quoted Foreign Minister Ali Alatas as saying. Alatas was further quoted as asking Rangoon to "deal with the fundamental questions that have led to the flow of refugees into neighbouring countries."

Alatas said the problems inside Burma were essentially its internal affairs. "But the recent developments show that the situation inside Myanmar has carried over into some international dimensions and tends to have an adverse effect on the peace and stability in Southeast Asia," he was quoted as saying. Myanmar is the name which Rangoon's ruling junta has given to Burma.

Alatas said the Association of Southeast Asian Nations had been concerned about the developments in Burma all along, but that it believed in using "constructive engangement" in resolving the problems. In expressing concerns publicly about events in Burma, Indonesia was joining a growing number of states which have decided to drop the constructive engagement policy to speak out on the plight of the refugees.

More than 150,000 of the so-called Rohingya Muslims have reportedly gathered on Bangladesh's eastern areas fleeing what they describe as atrocities by Burma's military, including rapes and murders. Malaysia, Singapore, and Pakistan have already expressed concerns over the refugees.

Planned Defense Cooperation With PNG Viewed

BK1003145392 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 10 Mar 92

[Text] Defense and Security Minister L.B. Murdani says the planned defense cooperation between the Indonesian Armed Forces and its Papua New Guinea [PNG] counterpart is expected to reduce the scope of activities and operations of the GPK [Security Disturbance Movement] in Irian Jaya. Speaking at a hearing with Parliament's Commission I [Roman one] in Jakarta today, the defense and security minister expressed hope that the planned defense cooperation will also help solve the border issue and bring about mutual understanding between the two countries' Armed Forces.

Commenting on the outcome of the recent working visit to Irian Jaya by the parliamentary commission, Murdani described geographical location, manpower shortage, and inadequate service as obstacles toward providing security and development to the province and its people.

To overcome these obstacles, an integrated approach which pays equal attention to public welfare and security is needed.

Philippines

Aquino: U.S. Not To Intervene in Elections

HK1303113892 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 13 Mar 92

[Text] President Aquino today gave an assurance that the military and the United States will not interfere in the coming elections. Here is Tanny Rodriguez with the details:

[Begin recording] The president issued the statement following a warning allegedly issued by U.S. Ambassador Frank Wisner on totally cutting all financial aid to the Philippines in the event of the military launching another coup d'etat aimed at preventing the holding of elections in May. In the statement, the president allayed fears in some sectors of possible U.S. intervention in the 11 May polls to ensure the victory of U.S. allies, particularly in the Senate. At the same time, the president said she believes that the chances of National Union of Christian Democrats candidate Fidel Ramos winning the presidency are getting better according to the latest survey result. [end recording]

Malacanang Criticizes U.S. Interference

HK1303073192 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 13 Mar 92

[Text] Malacanang has severely criticized the United States for meddling in the election campaign and the status of infrastructure projects in the country. According to Press Secretary Horacio Paredes, the threat by the United States to cut off aid if the military interferes in the polls is unfair.

Opinion is that the United States is violating the principle of non-interference between governments. Reports allege that the United States is fomenting plans for a military coup and is promoting a no-election scheme. Paredes emphasized that the United States has no right to criticize the military because it is conducting its affairs capably under the leadership of General Lisandro Abadia, chief of staff of the Philippine Armed Forces. He said that at no time has the Philippines meddled in the American electoral process presently going on in the United States.

Paredes has also said Malacanang is unhappy with the criticism expressed by Assistant Secretary of State Richard Solomon of the flyover project and the widening of the Manila Bay area. Paredes said Solomon has no right to criticize the country, adding that the United States apparently does not understand the separation of powers between Washington and Manila. He added that only Filipinos can take responsibility for any decisions, right or wrong.

Government Reviews Relations With North Korea

HK1303012692 Manila PHILIPPINES NEWSDAY in English 13 Mar 92 p 3

[By Arthur I. Bariuad]

[Text] The Philippine government is taking a serious review of its plans to establish diplomatic relations with North Korea in the face of Pyongyang's continued refusal to set a date for an international inspection of its much-feared nuclear arsenals, acting Foreign Secretary Pablo R. Suarez said yesterday.

"We are currently reviewing our plans to establish official ties with North Korea. We have an understanding that we establish diplomatic relations in 1991, but within that commitment we have certain conditions, certain things that we want to see accomplished," Suarez told diplomatic reporters.

According to Suarez, Pyongyang accepted a definite timetable for the early inspection of its nuclear facilities, Manila would have forged official ties with the communist state within the month. [sentence as published]

"While we are ready to go in, we do not want to go in where the issue is still hot," Suarez stressed. "So we are deferring establishing ties with North Korea, until this (international pressure) whole thing dies down," he added.

"There is a hot issue brewing now concerning the facilities North Koreans have for the production of nuclear weapons and they are pretty close in accomplishing the things necessary to produce nuclear weapons," Suarez said.

Suarez pointed out that "once the international inspection team is in North Korea, we will be able to proceed." He reasoned that "the timing is very important," because right now there is a "great international pressure on North Korea to set a date for inspection."

However, wire reports from Seoul, South Korea said North Korea was reneging on its promise to allow an early inspection of its nuclear facilities. The reports, quoting South Korean officials, said North Korea was stalling for time "because it was on the verge of developing nuclear arms."

Manila and Pyongyang agreed last June, during the visit here of North Korea's Vice Premier Kim Tal-hyon, to establish diplomatic ties "at the earliest possible date in 1991," subject to three conditions set by the Philippine government.

The three conditions imposed by Manila were Pyongyang's admission to the UN, of existence of its nuclear arsenal, written assurances not to interfere with the Philippines' domestic affairs, and acceptance of an international team to inspect its nuclear facilities.

Suarez said the three conditions "have more or less been accomplished," adding that Manila remains hopeful that the last stumbling block would be removed.

Communists Order American Kidnapper's Death

HK1303051092 Manila PHILIPPINE DAILY INQUIRER in English 13 Mar 92 pp 1, 14

[By Veronica C. Uy]

[Text] The communist Alex Boncayao Brigade [ABB] has issued a shoot-to-kill order against Alfredo de Leon, leader of the breakaway Red Scorpion Group [RSG] suspected of kidnapping Michael Barnes for ransom, ABB spokesman Aurora Pamintuan told the INQUIRER yesterday.

"The ABB reiterates its policy of punishing drug lords, illegal recruiters and ringleaders of criminal syndicates. As regards De Leon, he, being the ringleader of the RSG, a shoot-to-kill order was issued by the ABB Operational Command," an ABB statement said.

The ABB is the New People's Army's urban guerrilla unit operating in Metro Manila with about 200 members, including support staff. Sources said De Leon's breakaway group is composed of some 50 to 100 trained terrorists.

Pamintuan said in a telephone interview that De Leon is a former member of ABB but was kicked out of the urban guerrilla group for "sexual opportunism."

She said that while the cases against him were being heard, De Leon escaped and formed his own group, the RSG. She said the ABB suspects that De Leon is a military spy because of his escape from prison.

"Considering the gravity of the crimes attributed to him, he remains scot-free and the police has yet to explain his mysterious escape while in custody," she added.

In a previous letter to the INQUIRER, Red Scorpion owned the Kidnapping of the American businessman but denied links with either the military or the NPA [New People's Army]. [sentence as published]

Pamintuan, however, belied RSG's claim that it is an independent group with no links to the military. She named two military officials who are allegedly protecting the ABB splinter group. (The INQUIRER is withholding the names of the two officers until it contacts them and gets their side.)

She described the two factors as "behind-the-scene operators of disinformation campaigns and the prime movers of anti-insurgency operations in the Philippines."

Pamintuan said the two officials are training De Leon and his men to serve as a "contra force" to fight and discredit the armed city partisans.

She said one is an expert in recruiting and training counter-revolutionary groups and has been known to the underground movement from his stint in Davao where he successfully organized counter-insurgency groups of Asia-Masa [People's Uprising].

She described the other officer as very successful in hunting down top communist leaders.

She said De Leon kidnapped Barnes not for "any revolutionary purpose" but for purely monetary interests as she called the RSG statement "a plain psywar operation in motion...."

The Red Scorpion did not mention a ransom demand, but police said kidnappers have demanded $20 million for Barnes' release.

"The people are made to believe that the military is not in any way connected with the kidnapping and the gang responsible is acting on their own. This is a convenient way out of the mess the military has created in abducting Michael Barnes," Pamintuan said.

She said De Leon's group "is just one of those criminal syndicates."

The ABB spokesperson charged the military with foot-dragging in the Barnes case because "obviously the military cannot turn in its own man."

She dared government authorities to file criminal charges against De Leon as the police has enough information on him.

Pamintuan claimed that De Leon was arrested on Oct. 28, 1991 and not on Nov. 7, 1991 as indicated in newspaper reports. She said their sources in the military revealed that his captors arranged his escape mid-November.

De Leon was arrested for the kidnapping and murder of De La Salle University student CP Lopez, a Bacolod scion.

Meanwhile, U.S. Ambassador to the Philippines Frank Wisner has rejected as a lie accusations that Barnes worked for the CIA, and called the kidnap "a dastardly deed."

"I can tell you that Mike Barnes is not now, or ever has been an employee of the Central Intelligence Agency," Wisner said. "This man has been taken by terrorists...and held hostage. Those who are holding him accuse him of being a CIA agent. It's just another lie."

Wisner said U.S. officials are working closely with the Philippine government and police to secure the release of Barnes. "We're all working closely together to get Mike Barnes' release. We hope it will come and it will come quickly."

Barnes, 41, of Long Beach California, has been missing for 56 days since his abduction on Jan. 17. The vice-president of both the Philippine Geothermal Inc., a subsidiary of California-based Unocal Inc. and of the

American Chamber of Commerce was abducted by at least three armed men outside his office on Gil Puyat Avenue in Makati.

Aquino Signs Bases Conversion Bill Into Law

HK1303090892 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 13 Mar 92

[By Rowena Papasin]

[Text] President Corazon Aquino formally signed into law the Bases Conversion and Development Act of 1992. At the same time, the president also sent a letter to both houses of Congress outlining her reservations on the constitutionality of two provisions enclosed in the bill.

One of the provisions which the president questioned requires the Commission on Appointment's [CA] approval on the selection of the Bases Conversion and Development Authority's [BCDA] chairman and board members. According to Executive Secretary Franklin Drilon, the Constitution clearly specifies the posts which require the CA's approval, and the BCDA chairman and board member positions are not among them.

She also questioned the installment of the Olongapo mayor as BCDA chairman and chief executive officer. Aquino questioned this provision on the grounds that no elected official may be appointed to any public office during his tenure as an elected officer. She added that if an elected official wanted to assume a public office, he should first resign from his present position.

Military Plans Armor Manufacturing Complex

HK1303050592 Manila THE CHRONICLE in English 13 Mar 92 pp 1, 6

[By Manny Mogato]

[Text] Senior military officials have drawn up plans to build a large military-industrial complex inside the Armed Forces' Logistics Command (Logcom) headquarters in Quezon City to manufacture military hardware.

But the project would depend on the government's plan to enter into a joint venture with a British armored-carrier manufacturer to locally assemble "Simba" armored fighting vehicles.

A Philippine-based consortium has offered to lease several ware-houses inside the Logcom compound for use as factories for the production of "Simba."

The military is expected to generate some P [peso] 1 million from the project, apart from a P100,000 royalty for every "Simba" that might be sold outside the country.

The AFP [Armed Forces of the Philippines] has already approved the purchase of 150 units of "Simba," despite strong objections from American military officials who were lobbying for the more expensive V-150 armored vehicles.

The "Simba" vehicles are to be bought under a unique countertrade, technology transfer and co-production scheme with the British manufacturers.

Bangladesh and two other Asian countries are also interested in acquiring "Simba" vehicles.

On a smaller scale, however, the AFP has already begun developing its own defense manufacturing industries. It has started the Vetronix Inc., which manufactures tactical field communications equipment, including hand-held sets.

Military uniforms, particularly those issued to militiamen, are now being manufactured inside the Logcom facilities.

The Logcom has been busy "re-building" junks [as published] which the Americans had given the Philippine military under the Military Bases Agreement (MBA) compensation package.

A more ambitious project was the manufacture of two prototype armored carriers, called "Hari-Digma [War-King]," as an alternative to the expensive foreign-made vehicles.

The locally made armored vehicle costs about 60% less, but it has to pass rigid evaluation tests. Besides, the military has yet to import armored plates to adequately protect the vehicles even from automatic fire, like M16 Armalite and M14 rifle.

Outside the military, some private defense manufacturers, like the Floro Industries, have started their own joint ventures with foreign manufacturers to boost local defense industries.

For instance, the Floro Industries has found a cheaper source of weapons and other materials in Vietnam and China.

A senior military logistics official said the country does not only lag behind in terms of upgrading the country's military capability but it also trailed in boosting defense industries to stimulate economic growth.

He cited the economic growth of Singapore and Taiwan which he claimed to have been partly propelled by its large defense industries.

For example, Singapore's advanced avionics and aviation industry is shared both by the military and commercial companies.

Over the weekend, the logistics command is sponsoring a mini-defense fair inside the Logcom compound.

Government Expects $1 Billion Aid Commitment

HK1303072292 Quezon City DWDD Defense Department Radio in Tagalog 0400 GMT 13 Mar 92

[Text] Manila expects to received about $1 billion aid commitment from international donor community under the third consultative group meeting for the Philippine Assistance Program.

The meeting started yesterday in Hong Kong. This was the initial estimate of Finance Secretary Jesus Estanislao after the first session held yesterday in connection with the review of the country's performance for the past six years.

The review was made by the World Bank, the International Monetary Fund, and the Japanese and U.S. Governments.

Estanislao said that the country's economic programs have been strongly endorsed by 23 foreign governments and nine monetary institutions for the past six years.

He said President Aquino had wanted to speed up the pace of pending EC projects for the immediate benefit of the Filipino people, regardless of the next administration.

Matutes told to the EC service staff that he expects a speedy approach to pending Philippine issues and projects.

The foreign secretary also followed up on the case of carrageenan, a major Philippine export that has been banned in the European Community market because of a stringent EC directive.

The matter is now under review by the EC's scientific committee on food where it is pending after the submission of a technical dossier by the Seaweeds Industry of the Philippines.

EC To Grant $30 Million to Earthquake Victims

HK1303053292 Manila MANILA BULLETIN in English 13 Mar 92 pp 1, 16

[Text] Brussels—Foreign Secretary Raul S. Manglapus and Commissioner Abel Matutes of the Commission of the European Communities have signed a financial agreement providing for a 20 million European currency units (about $30 million or P765 [Philippine pesos] million) grant for earthquake rehabilitation projects in the Philippines.

The signing, which took place at the European Commission offices here, provided for financial and technical assistance to agricultural areas damaged by the July, 1990, earthquake, the construction of two provincial hospitals, and a study component for the redevelopment of two northern cities heavily damaged by the quake.

Also present at the signing was Roberto R. Romulo, Philippine ambassador to Belgium and the European Communities, who had worked for the financial agreement that would allocate funds for agricultural rehabilitation in eight towns of Nueva Vizcaya and Benguet and central Cordillera, the construction of one hospital each in Lingayen, Pangasinan, and Agoo, La Union; and a study for the redevelopment of Baguio and Dagupan cities, including alterative routes for the main highway connecting Northern and Central Luzon.

The agencies to be involved in the implementation of these projects are the Department of Agriculture, Department of Health, Department of Public Works and Highways, and the National Economic and Development Authority (NEDA).

Manglapus conveyed the Philippine government's gratitude to Matutes and the member-states of the European Community for their continued assistance to the Philippines.

Poor Record of Aid Utilization Examined

HK1203024192 Manila THE CHRONICLE in English 12 Mar 92 p 4

[Editorial: "Poor implementation limits aid benefits"]

[Text] The Philippine Aid Plan Consultative Assembly, which opens today in Hong Kong, will be greatly influenced by the World Bank [WB] report prepared for reference by the donor countries.

One section of the report deals with the poor implementation of World Bank-funded projects for the country. This section brings to light once more the deficient absorptive capacity demonstrated by the Philippine government over the last few years and duly noted by other aid contributors. It echoes the complaint aired earlier by the Japanese OECF [Overseas Economic Cooperation Fund] regarding the Philippines' poor utilization of official development assistance.

The WB report noted that 63 percent of its funded projects in the Philippines last year were beset with implementation problems. Three crucial projects encountered major difficulties in implementation.

This compares unfavorably with the Bank's experience in the more dynamic economies of the Southeast Asian region. In Thailand, for instance, 82 percent of WB-supported projects were problem-free. No single project encountered major problems. The project implementation records for Indonesia and Malaysia were likewise superior to the Philippine case.

While expressing overall satisfaction with the implementation of its projects in the Philippines, the WB warned that "there is a strong possibility that the quality of its portfolio will decline over the next few years and the resources devoted to supervision will need to be increased." This translates, in plainer language, into a reduction in assistance and the deployment of more foreign consultants to assure proper utilization of project assistance.

The WB has been particularly disappointed with the poor implementation of power projects intended to supplement the deficient generation utilities in the country. Power shortages have seriously restricted the growth potential of many regions, specially Mindanao. Such shortages further complicate our prospects for rapid economic recovery, much less high growth.

The problems regarding implementation of foreign-assisted projects and low absorptive capacity for official development assistance derives as much from internal financing problems as they do from bureaucratic inefficiencies.

As a matter of course, foreign-assisted projects require counterpart domestic financing. The most common implementation problems arise from the failure of the Philippine government to raise the necessary matching funds to see the projects through. Such failure is, in turn, due to both domestic political wrangling and serious budgetary deficits.

When the Congress fails to appropriate funds for foreign-assisted projects or when government revenues do not suffice for counterpart financing, implementation breaks down. Critically needed infrastructures are not built. The entire program of economic recovery suffers.

The recurrent problem of poor absorptive capacity of foreign assistance will have to be addressed comprehensively.

The next elections should usher in a more competent political leadership capable of mustering government consensus to support domestic counterpart financing of essential infrastructural projects. The line agencies must be pressed to deliver more effectively on the implementation of development programs. Policies must be set firmly and priorities clearly defined.

The chronic budgetary problems must be met squarely. On the one hand, the bureaucracy must be trimmed of excess fat and the budget properly allocated to support economic investments. On the other hand, the government's revenue base ought to be broadened. Revenue collection must be enhanced. The regressive taxation structure needs to be overhauled and made progressive. The reforms will have to be carried out swiftly and decisively.

Unless our own efficiency in utilization of foreign assistance is improved, much of the potential benefits of international generosity shall be squandered. We cannot go on as we have done soliciting development support which we could not fruitfully utilize.

Aquino Appoints New Investigation Bureau Chief

HK1303104792 Quezon City Radyo ng Bayan in Tagalog 1100 GMT 13 Mar 92

[Text] President Corazon Aquino has appointed Epimaco Velasco to replace Alfredo Lim as the National Bureau of Investigation's director. Lim will be running for mayor of Manila in the coming elections.

Thailand

Asa, U.S.'s Solomon on Burma, Cambodia, Drugs

BK1303093792 Bangkok MATICHON in Thai 13 Mar 92 p 6

[Text] Speaking to correspondents on the afternoon of 12 March after a meeting with Foreign Minister Asa Sarasin at the Foreign Ministry, Richard Solomon, the assistant U.S. secretary of state for Asia and Pacific affairs, said he expressed to the Thai foreign minister the concern of the U.S. leadership about the situation in Burma and Cambodia and about the narcotics problem in Southeast Asia. He said the situation in Burma in the past two weeks deteriorated considerably and that certain political parties in Cambodia have not given their cooperation to the UN peacekeeping force.

Solomon said the United States reiterated that the world community should join hands to pressure Burma to respect human rights and transfer the power to the legitimately elected government. Meanwhile, the Thai foreign minister reiterated that Thailand could not interfere in Burma's internal affairs. Regarding the narcotics issue, Asa said Thailand, Burma, and Laos will be meeting on this matter on 13 March. He said Burma should not have acted against ethnic Burmese Muslims the way it did. He has not scheduled a visit to Burma because there are no issues to talk about at this time.

Meanwhile, Sakthip Krairoek, the Foreign Ministry's Information Department director, said on 12 March that the first batch of 600 Cambodian refugees from Site Two will be repatriated on 30 March by way of Highway 5. Thai engineers already completed the repair of the first 25 km of the highway, and the remainder will be completed in 500 days at a cost of 174 million baht, paid for by the Thai Government. As many as 10,000 refugees could return every month after the whole length of the highway is completed.

Bangkok Not To Condemn Burma Over Muslims

BK1303030992 Bangkok BANGKOK POST in English 13 Mar 92 p 1

[Excerpts] ASEAN will not take a collective position on Burma's repression of its Muslim minority, Foreign Minister Asa Sarasin said yesterday.

Despite its "concern" over the influx of Rohingya refugees to Bangladesh, Thailand will not join the chorus of condemnation of the Rangoon military regime's operations, the minister said.

"Everybody shares concern, but there is no need for us to take part in any official declaration to condemn Burma.

We do not want to see any actions that Burma takes affect others, which might affect us as well," he told reporters.

He said Thailand stands by the agreement reached during the January ASEAN summit meeting in Singapore that ASEAN members will "proceed individually and independently" to deal with Burma.

Malaysia and Indonesia have criticised Rangoon for its treatment of the Muslim minority, while Singapore called for ASEAN to take a unified stand on this issue. [passage omitted]

But Mr Asa said, "What is most important is for Burma and Bangladesh to communicate and consult on this matter. We ought to stop short of interference."

He said Thailand's constructive engagement policy towards Burma has brought about concrete achievements in that Burma has agreed to participate in the ministerial conference on narcotics which begins today.

Chaired by Deputy Prime Minister Phao Sarasin, the meeting is the first of its kind to group ministers from the Golden Triangle countries of Thailand, Laos and Burma to discuss cooperation in policy directives.

"Rangoon may not take part in such a meeting if it is hosted by other countries. And this is viewed as an achievement of constructive engagement, which works sometimes," he said.

However, Thailand's main objective is to increase people-to-people contacts between the two countries, the minister said, citing as an example the flexible policy towards Burmese students who fled suppression of the 1989 uprising.

Burmese Ambassador to Thailand, U Nyunt Swe, meanwhile dismissed reports of repression of the Rohingyas as "exaggerations and absolutely wrong."

He denied that killing, rape and torture of the Muslims by the Burmese army had taken place.

"In short, we have no Rohingya problem in my country. We have only some illegal immigrants as a problem," he said, adding that those fleeing to Bangladesh were actually dodging routine checks of registration by Burmese authorities.

He also denied the existence of a Rohingya population in Burma.

The Muslims account for two percent of the entire Burmese population, and those calling themselves Rohingyas were in fact former Mujahid insurgents who arrived in Burma after independence, according to the ambassador. [passage omitted]

ASEAN Should Mirror Malaysia's Stance on Burma

BK1203022192 Bangkok THE NATION in English 12 Mar 92 p A10

[Editorial: "Asean should rally behind KL [Kuala Lumpur] to condemn Burma"]

[Text] We all dream of a 21st century where the horrors of the 20th like Auschwitz and the mass executions under the genocidal Khmer Rouge regime will not be repeated. But alas, brutal regimes still abound in this post-Cold War world where we in Asean are supposed to preen in pride because of our economic progress.

The day has come when we have to accept what is going on in Burma now under the ruling military junta, which calls itself the State Law and Order Restoration Council (Slorc), is not much different from what happened in Cambodia under Pol Pot's Khmer Rouge.

If history is viewed according to the Hegelian definition as the progress of man to higher levels of rationality and freedom, and should be seen not only as a succession of different civilizations and levels of material accomplishment, but more importantly as a succession of different forms of consciousness, then we have indeed taken several stops backwards. Consciousness as defined by Hegel is the way in which human beings think about fundamental questions of right and wrong.

As it stands now, what is right and wrong do not serve as questions when it comes to Asean's relations with Burma's Slorc. The excuse given by Asean is "constructive engagement" in a bid to make Slorc become less brutal through normal trading and incentives for improving the Burmese economy. Unfortunately, Asean is only fooling itself.

If history again should serve as an example, leaders in this regional grouping should have realized that for the past 30 years, the ordinary Burmese has been undergoing repression, from the time General Newin's military coup ended parliamentary democracy and doomed the country on the path to the "Burmese way to socialism". A pertinent question that should be asked is whether Asean's "constructive engagement" can make a leopard change its spots.

Just before the Geneva-based United Nations Commission on Human Rights unanimously passed a resolution last week transferring the debate on human rights in Burma from confidential proceedings to public ones, international relief organizations testified that Slorc was engaged in a concerted effort to eliminate real or potential opponents to its hold on power.

The flight of about 150,000 Burmese Muslim refugees called Rohingyas into neighbouring Bangladesh is a clear testimony to this.

"The accounts of widespred and brutal forced labour, abduction and massacre of men and rape of women that

we are hearing consistently make it pretty clear something monstrous is happening," said a relief official in Geneva.

"The comparison with Pol Pot's regime is unavoidable," the official added.

Living up to its expectation as a Muslim country, and also fearful of reprisals from its own Muslim population should it remain silent over the plight of the Burmese Muslims, Malaysia said over the weekend that it would take a firm stand on the Rohingyas issue. On Tuesday [10 March], the Malaysian Foreign Ministry summoned Burmese Ambassador U Ko to let Burma know that Kuala Lumpur wants Rangoon to end abuses against Burma's Muslim minority.

This is certainly a far cry from Malaysia's stand in January which also reflected that of Asean's. At the Asean summit in January, Malaysian Prime Minister Mahathir Mohamad explained the regional grouping's "constructive engagement with Burma saying: "Poor neighbours are no asset to anyone. The problems of the poor are likely to spill over in the form of refugees, smuggling, black market operations etc.... Helping neighbours to become prosperous is therefore mutually beneficial."

Asean's process of "constructive engagement" has not prevented Slorc from committing virtual genocide on the Rohingyas. Asean has been spared the refugee influx by virtue of its geographical location with regard to the troubled Arakan state in Burma and the burden of housing the Burmese Muslims has unfortunately fallen on Bangladesh, one of the world's poorest nations. If Asean still adheres to the notion that "constructive engagement" with Rangoon would make Burma's military leaders less monstrous, then let us not forget that in the eastern region of the country bordering Thailand. Slorc is presently carrying out a full-scale offensive against the Karen rebels. Karen refugees fleeing in droves into Thailand to escape the fighting, in a scenario similar to the Burmese Muslims, should not surprise anyone.

Asean should realize the total contradiction of its "constructive engagement" policy with Burma. Slorc is a brutal regime ruling without legitimacy and it is time other Asean leaders rally behind Malaysia and demand that the junta in Rangoon stop repressing its Muslim minority.

Asean however should not stop short of castigating Slorc further. It should press for the release of Nobel Peace Prize winner Daw Aung San Suu Kyi and all other prisoners of conscience, and insist that Slorc respect the results of the May 1990 elections in which Suu Kyi's National League for Democracy won more than 80 percent of the seats.

Brutal regimes do not last forever. Slorc itself will collapse because of its internal contradictions, and until that time it will do good for Asean to instead embark on a "constructive engagement" with the Burmese opposition.

River Border Agreement Signed With Burma

BK1203070792 Bangkok Radio Thailand Network in Thai 0530 GMT 12 Mar 92

[Text] At the Foreign Ministry at 1000 today, a ceremony was held in which Thailand and Burma exchanged documents on the ratification of a memorandum of understanding on fixing the border in Sai and Ruak Rivers. Foreign Minister Asa Sarasin and Burmese ambassador U Nyunt Swe represented their respective governments at the ceremony.

Speaking to correspondents after the ceremony, the foreign minister said the exchange of ratification documents dealt with fixing the deep water channels in Sai and Ruak rivers as borderlines, giving both Thailand and Burma the rights to fairly navigate and use water from the two rivers, irrespective of any change in their courses. The Thai-Burmese borderline was unclear in the past, but everything is now clear and concrete. Both countries have formed a joint commission to preserve the rivers' courses and maintain the (?border posts).

Asa said action has also been taken to define the borderlines with Malaysia and Laos and concrete outcome has resulted. The main objective is to create good relations between the peoples living along the borders.

On the narcotics problem along the borders with Burma and Laos, Asa said Thailand wants very much to encourage Burma and Laos to cooperate on solving the problem. Both Burma and Laos have shown interest in solving the problem and are ready to cooperate. Because most of the narcotics originate in Burma and pass through Laos to other countries, cooperation in this matter will show the world that Laos is seriously trying to solve the problem. Thailand, Burma, and Laos will meet on cooperation against narcotics on 13 March at Government House.

Cambodia To Attend Mekong Committee Meeting

BK1203145592 Bangkok Voice of Free Asia in Thai 1030 GMT 12 Mar 92

[Text] On his return from Cambodia, Deputy Foreign Minister Wichian Watthanakhun said he has delivered the message from Prime Minister Anan Panyarachun to Prince Norodom Sihanouk, president of the Supreme National Council of Cambodia or SNC, urging the SNC to send its representative to attend the Mekong Committee meeting on 15 March. Wichian said Prince Sihanouk has agreed to the proposal.

The forthcoming meeting will be an informal one among delegates from Thailand, Cambodia, Laos, and Vietnam. On 16 March, there will be an enlarged meeting of six countries and will include China and Burma.

Wichian said while he was in Cambodia he also met representatives of the Khmer tripartite coalition and explained the meeting to them. He also had a meeting with Foreign Minister Hor Namhong of Cambodia. All of them have agreed to send delegates on behalf of the SNC. Wichian said he has already delivered the same message to the governments of Vietnam, Burma, and Laos. Burma has also agreed to attend the meeting. Although Laos and Vietnam have not replied, Wichian said they are likely to attend the meeting.

Wichian said Thailand wants Cambodia to have a role in the Mekong Committee, or else no progress could be made. Cambodia will first join as an alternate member. Later, there will be a restructure of the committee. In the future, China and Burma will be included because cooperation on Mekong river projects would never be complete without their presence. Wichian said this principle has been accepted by all. Moreover, he said there will be no conditions for Cambodia to join the committee.

Government Seeks UN Assurance on Refugees

BK1203012392 Bangkok BANGKOK POST in English 12 Mar 92 p 7

[Text] Thailand is resisting the declaration of a cut-off date for displaced Cambodians pending an assurance that the United Nations High Commissioner for Refugees (UNHCR) will look after late arrivals.

A senior official said yesterday the Government was also proposing six new crossing points for the repatriation of more than 386,000 Cambodians living on the border since 1979. The repatriation is due to begin March 30.

The Cambodian Repatriation Command Centre (CRCC)'s Major General Suraphon Kamoh-at said Thailand had let pass a March 8 cut-off date proposed by UNHCR Special Envoy Sergio Viera de Mello because it did not want to be left with a residual caseload.

The announcement of a date should come with a UNHCR assurance that it would look after latecomers and arrange for their repatriation, he said.

Speaking at a special lecture organised by Chulalongkon University's Institute of Asian Studies, Maj-Gen Suraphon said there were 386,866 Cambodians to be repatriated from seven border encampments as of February 23.

Under a Memorandum of Understanding signed in Phnom Penh last November by Thailand, the UNHCR and the Supreme National Council of Cambodia (SNC), the Cambodians are to be sent home—in time for general elections next year—through a single crossing point at Klong Luek, adjacent to Cambodia's Poipet.

The UN Transitional Authority on Cambodia (UNTAC)'s first military contingent was reported to have arrived in Cambodia on Tuesday [10 March] to ensure the ceasefire is respected and the rival factions disarmed.

Maj-Gen Suraphon defended the proposal for six more crossings on the grounds it would save wasted journeys. Most Cambodians wanted to repatriate to areas more or less adjacent to where they are now encamped.

The proposed new crossing points are located along the border from Si Sa Ket down to Trat, coinciding with areas held by the four factions expected to be the main contenders in the elections.

They are Chong Ngarm in Sisaket, Chong Chom in Surin, Ta Phraya and Klong Hat in Prachin Buri, Pong Nam Ron in Chanthaburi and Sok San in Trat.

Maj-Gen Suraphon said Mr de Mello would forward the proposal to Geneva.

The CRCC was set up early last month to coopera'e with the UNHCR in its repatriation efforts. It has a special brief to ensure Cambodians are sent back when the situation is appropriate and there is no residual caseload.

He confirmed the preparedness of Thailand, but said there were still some problems with reception centres on the Cambodian side.

The Cambodians will be processed through four staging areas inside Thailand—at Site Bk, Site 2, Khao-I-Dang and Site 8—before they are sent through Klong Luek to reception centres inside Cambodia, the final stop before their chosen destinations.

Maj-Gen Suraphon cited UNHCR figures obtained from pre- registration last October and November confirminng that most—160,000—wanted to return to Battambang Province, Cambodia's ricebowl.

These were followed by 42,000 who chose Banteay Meanchey, 18,000—Siem Reap, 13,000—Kandal, and 5,000—Pursat. Another 13,500 chose to go to "other "provinces and the same number left it up to the UNHCR to make the choice for them.

The Cambodians will be given basic assistance with food, farming tools, housing materials and a plot of land.

Maj-Gen Suraphon said those arriving after the cut-off date should be offered all these except the plot of land.

Land allocation is a problem for the UNHCR as plots identified as arable have already been claimed by owners.

He said two Thai battalions from the Pioneer Corps had gone into Cambodia to help prepare for the repatriation including the removal of mines from the countryside.

He then said Britain and Sweden had reneged on promises of equipment for demining.

The first battalion, which went in on Februay 3, is to help repair Highway 5 from Poipet to Sisophon and also help demine the 48 kilometre stretch.

The second task force is to build a road from Battambang to Sisophon, repair bridges, reservoirs and air strips as well as engage in demining the country.

This contingent has been in Cambodia since February 20 under the United Nations Advance Mission in Cambodia (UNAMIC) and UNTAC.

Committee Declines To Consider Aircraft Purchase

BK1203012792 Bangkok THE NATION in English 12 Mar 92 p A1

[Text] The air force has been snubbed again over its newest plan to spend Bt [baht] 1.5 billion on 10 Swiss-made aircraft, but the navy has been given approval to buy the country's first helicopter carrier for Bt billion. [figure as published]

The government screening committee on security affairs, at its final meeting yesterday before being dissolved ahead of the election, decided not to consider the Royal Thai Air Force's [RTAF] proposal to buy the PC-9 turboprop planes.

A committee source said this decision, which could be interpreted as a rejection of the plan, was prompted by a question over details of the expenditure.

Committee members said they wanted the government screening committee on economic affairs to look at the plan as they need to clear up some ambiguities in the purchase figures, the source said.

The economic affairs committee will meet for the last time today. Even if the plan is placed on the agenda, the panel would likely have no time to study the proposal, the source said.

Despite time constraints, the air force might not give up its efforts to have the committee study the purchase plan, which it wants to submit to the Cabinet at its final meeting next Tuesday [24 March], the source said.

In a separate move yesterday, the economic affairs screening committee approved the Royal Thai Navy's request to buy a Bt7 billion helicopter carrier from the United States.

The navy had won approval from the former administration of Gen Chatchai Chunhawan to buy a helicopter carrier from Germany for Bt5.9 billion. However, there were some problems regarding the purchase contract and the plan was scrapped.

The air force revealed its plan to buy the 10 Swiss-made PC-9 aircraft only last week.

Air Force Chief of Staff ACM [Air Chief Marshal] Suthip Theppharak said the RTAF wanted to use its own budget of Bt1.5 billion to buy the two-seater planes for training purposes.

The move to buy the PC-9 aircraft came after the economic affairs committee decided to withhold recommending the air force's plan to spend more than Bt5 billion on 50 L-39 Albatros training jets from Czechoslovakia.

The committee last week decided that the purchase of the L-39 aircraft, which already had been approved by the screening committee on security affairs, would exceed 75 percent of the air force's annual budget, which is the spending limit fixed under a Cabinet resolution.

The panel reported its conclusion to the Cabinet which has the final say on the aircraft purchase. However, the Cabinet did not consider the purchase plan during its meeting this week.

New Aspiration Party Program Outlined

BK1203014592 Bangkok THE NATION in English 12 Mar 92 p A1, A3

["Fourth of a special election series focusing on parties' platforms"]

[Text] The New Aspiration Party said it has a platform to help to solve many of the country's problems, with policies to overhaul the role of the government by increasing both its activities and spending.

In an exclusive interview with THE NATION, Dr Phokin Phalakun, an academic who played a key role in formulating the NAP's [New Aspiration Party] platform, outlined some of the policies.

While many policies have yet to be worked out in detail, Phokhin said NAP's platform differed from those of other parties because it was based on long-term approaches, rather than measures to solve immediate problems.

Phokhin stressed the country's need for a package of policies based on "visions" which he claimed distinguished his party from the rest of the fold.

NAP's aim was to make Thailand competitive at a time of intensifying economic rivalry and conflicts in the international community, he said.

Phokin said Thailand must be made strong enough to cope with increasing protectionist pressures from developed nations and to keep abreast of the so called "Four Tigers" of Taiwan, Singapore, Hong Kong and South Korea. It must also compete with Malaysia, Indonesia, other ASEAN neighbours, and even Vietnam and other Indochinese nations, with their generally cheap labour and plentiful natural resources.

Comparing Thailand to a train, he said all groups, ranging from big exporters and industrialists to the underprivileged, must move together at the same time.

The affluent business, banking and industrial groups were already strong. The government would have to

simply facilitate and promote their activities by deregulating their exports, while negotiating with developed countries applying protectionist measures on their products.

In the meantime, the government must provide workers, farmers and other low-income earners with welfare programmes at all levels. This could be accomplished by various means, including the use of Treasury reserves to inject money into state banks and agencies, setting up funds for different occupational groups and using government land to be vacated in the capital under a dramatic programme for the relocation of most government and military units from the capital.

But all these ambitious programmes could not be achieved if the bureaucracy was not overhauled, Phokhin said.

This reform, which was a cornerstone of NAP policy, called for "minor legislative amendments" to empower the executive branch to regroup government agencies without having to go through Parliament.

The amendment would give the Cabinet the power to do this by issuing royal decrees instead of proposing bills, he said.

The reform would alter the roles of the government. In the long-term, the NAP envisaged a slim bureaucracy comprising "top hands" who would concentrate on planning and coordination, and help to take care of the underprivileged.

Following are some of the highlights of the NAP's policies outlined by Phokhin.

Administrative reform: the NAP stressed the need for drastic bureaucratic reform as the first step towards implementing the other plans formulated by the party, Phukhin said.

To accomplish this goal, the executive branch of government should be given more authority, especially that to create or abolish government units as it sees fit. This could be done by modifying legistration to enable the government to create or abolish departments or ministries though bills which could be derailed in the lengthy parliamentary process.

"This new method will provide the government with the tool it needs to implement its economic policies. The government will decide how the various departments should be shaped. And if the government fails, then we will take the responsibility. The reform will also help the government to become more efficient and responsive to the needs of the people," he said.

The new government must also change its approach towards the country's lower income groups. The government should play a supporting role through special welfare programmes for lower income people.

"NAP views the private sector and the richer echelon of the country as the groups which do not really need government resources to do something. They just want the government to facilitate their business activities and guide them on the policy level. This role, however, will be different to that for the lower echelon, like farmers and low-income workers, who do not have the means to help themselves.

"It is here the government should play a key role and allocate the bulk of its resources to help cut their spending through a variety of housing, medical care and other welfare programmes," he said.

The relation between central government and local administration should also be modified. Central government should provide guidelines to local administrations to give them more freedom and say on local issues.

"The role of governors must change. They will take care of big issues only, like national security, big infrastructure projects and such, while day-to-day management must be handed down to local administrations which will have more autonomy to create their own income. The central government must act as a central planner and distribute more power to the local level," he said.

Special local administrations, like the Bangkok Metropolitan Authority, would also receive greater autonomy.

Economy, treasury and trade: To ward off an increase in trade pressure from developed countries, Phukhin said the NAP planned to delay many trade measures that would be applied to Thailand in the future.

"Looking at the trend, we expect Thailand to be subject to more economic pressure from developed countries. The Generalized System of Preferences and other trade privileges, for example, will soon be history. To counter this problem, the NAP will have to come up with measures to lessen this trade pressure.

"One way to do so is to delay accepting any of the imposed measures until Thailand is ready to accept them. In the meantime, we must also negotiate to keep as long as possible the other privileges the country already has received," he said.

He cited as an example the pharmaceutical patent bill which was approved by the Anan administration recently.

"Thailand tried, in the time before the Anan administration, to stall the bill through the use of the lengthy parliamentary system. Such a method, though ill-received, was accepted by the measures as part of the parliamentary process.

"However, this tactic proved ineffective after the military installed Anan administration and National Assembly came to power, depriving the country of this excuse we used to have. But if the country turns back toward democracy, this method can be applied again," he said.

As for competing with developing countries he said the NAP would stress improving the country's stability to enable Thailand to attract investors.

"The main problem is that these countries, such as Malaysia, Indonesia, or even Vietnam, have cheaper labour than us. Vietnam, for example, will be one of our most feared competitors if it succeeds in building its political stablity. So we have to examine our country's strong points which we could use to compete with them," he said.

Of the domestic economy, Phokhin said the NAP would stress ways to revive economic growth to the same level achieved by the Chatchai government. Although the party agreed with many liberalization schemes initiated by the Anan administration, more regulations must be imposed to monitor the process.

"What we fear is that liberalization schemes without good controls will stimulate the creation of monopolies, especially by big business groups which have the resources to do so. We must devise measures and regulations so this will not happen. I think this must be the task for any political party in the future," he said.

The banking system would be a crucial path by which the NAP could implement its policy, Phokhin said. The NAP separated the banking industry into two categories, private banks and government banks, each with different roles and functions. Private banks, for example, should focus on serving the industry and business sector while government banks should provide the country's low-income population with lower than normal interest loans.

"The problem mainly concerns the level of interest. Government banks, such as the Government Housing Bank and Bank of Agriculture and Agricultural Cooperative (BAAC) and the Government Saving Bank, can be run at a lower cost than private banks. This should enable them to provide the country's low-income population with soft loans" he said.

Funds for such loans could be drawn from the country's massive reserves which amounted to more than 180 billion baht [Bt].

"The loans will create an injection of money into the economy and help revive it. As for private banks, they can retain high-interest loans for the industrial sector which can handle them," Phokhin said.

One important target for such loans was indebted farmers, to whom the NAP planned to provide soft loans to help them refinance their debts.

"Many of the farmers are now paying back debt at high interest of, say, 15 per cent or more. If we can give them soft loans to refinance the loans they have with the BAAC [Bank of Agriculture and Agricultural Cooperatives], they could repay their debts at lower interest and lessen the financial burden they have to face at present," he said.

Agricultural products, on the other hand, would still be subsidized by the government to help keep prices stable and increase farmers' income.

Other targets for such low-interest loans included small businesses, start-up entrepeneurs and other low-incomes groups such as taxi drivers and labourers.

"These people do not have the means to secure equipment needed for their jobs. The soft loans will enable them to acquire the equipment they need and make them better-off with greater incomes," he said.

Such loans could be distributed by setting up various special funds.

But Phokhin played down speculation that injecting a huge amount of money into the economy would cause uncontrollable inflation.

"We will have to have careful planning to determine how we will inject this money though the government banking system. Furthermore, I don't think our methods will cause inflation that we cannot control.

"The loans for farmers, for example, will eventually be returned to the government banking system and could be used to finance higher interest loans to the private sector. The lower interest burden will help those farmers to earn more income, therefore increasing their buying power which can help them to fight inflation," he said.

Another policy outlined was a shift in the role of Bangkok from a centralized administrative and industrial centre. In the NAP's view, Bangkok should become a trading centre and the government bureaucratic planning organ.

"Basically, Bangkok is fit to become the country's main trade and business centre. The NAP's goal is to change Bangkok from being the country's main production, industrial and administrative centres. This, however, is different to the concept of capital relocation, because we won't be moving the whole city out," he said.

Government and state enterprises would be among the first to be relocated. Many of these offices, such as military units and operational centres of other ministries, already had plans to relocate themseles.

Some government offices, however, would have to be left in the Bangkok which would still be the country's main planning centre where policy is made and where there is a minimum of administrative offices. Operational units, on the other hand, would be located elsewhere.

"The problem of the city can be solved if we move the govenment sector out of Bangkok. In fact, due to lower land prices, such relocation will actually be cheaper than the cost of constructing expressway systems many think are necessary to solve the city's traffic problems," he said.

In the meantime, the government must also place emphasis on roads and other infrastructure projects to help connect these diverse centres, he said.

"We have to provide them with good means of communication, to connect those government or industrial centres. But with modern communications, this can be done," he said.

After the relocation, the NAP said it plans to use vacant government land in the city to construct low-rent housing for low-income workers.

"Since it is government land, the cost for construction will be less than usual. On the other hand, much of the land can be rented to private sector to generate income for the government," he said.

The same concept would be adopted with the industry sector. Industries would be encouraged to move to less populated areas in other provinces.

"They can move out under the guidelines of the administration, which might help to pick feasible spots and provide them with necessary facilities. This can be done with government money or as a privatization scheme, depending on the situation," he said.

To help to speed up the move, the NAP would push for faster implementation of national land zoning, to give both the government and the private sector guidelines on land use.

"The land zoning law, which will be planned by the government, must be implemented as soon as possible. This will show everyone what can be built and where it can be built," Phokhin said.

As for VAT, [value added tax] Phokhin said the NAP would probably take a wait-and-see attitude. This also applied to the possibility of granting a general amnesty for tax evaders.

"We don't think it wise to make a commitment at this point. We agree that the VAT principle is a good one, but think the Anan administration implemented it too fast. But since the system still has been at work for less than two months, we still have yet to learn the flaws the system has," he said.

Vietnam

UN Official Affirms No SRV Troops in Cambodia

BK1203140292 Hanoi Voice of Vietnam in English 1000 GMT 12 Mar 92

[Station Commentary]

[Text] General Michel Loridon of France affirmed that there is no proof of the presence of Vietnamese troops in Cambodia. Here is our comment on this issue.

It is general knowledge that Vietnam completely withdrew soldiers, advisers, and military equipment from Cambodia from September 1989. At present, as a signatory to the Paris Peace Agreement on Cambodia, Vietnam has joined efforts with the UN and countries concerned in implementing the agreement. Ignoring this fact, in the recent past, the Khieu Samphan faction has many times accused Vietnam of violating the agreement and that there still remained in Cambodia Vietnamese troops. For his part, Prince Norodom Sihanouk, president of the SNC [Supreme National Council of Cambodia], had made an inspection tour of some areas in the country and confirmed that he himself has not seen any Vietnamese armymen in Cambodia.

General Michel Loridon, head of the UN Advanced Mission in Cambodia [UNAMIC] on Tuesday, 10 March, told an AFP [AGENCE FRANCE PRESSE] correspondent that there is no proof of the Vietnamese military presence in Cambodia. Concerning the charge by a Western news agency that there remained in Siem Reap province a Vietnamese special force disguised in Cambodian army uniform, General Michel Loridon said the UN officers have not seen any Vietnamese. The French general held that these allegations are groundless fabrications cooked up by hostile forces against Vietnam.

Meanwhile, the Cambodian Foreign Ministry also issued a statement pointing out that the allegation of Vietnamese military presence in Cambodia is but a trick to hinder the implementation of the Paris Peace Agreement on Cambodia. The Cambodian Foreign Ministry asked UNAMIC to conduct a detailed investigation into this slander.

Speaking at a press conference in Phnom Penh on Tuesday, 10 March, at the end of his visit to Cambodia, U.S. Under Secretary of State Richard Solomon said: some people with close relations with the United Nations in this question and they could not provide any evidences to this slander. [sentence as heard] For its part, the VIETNAM NEWS AGENCY on Monday, 9 March, flatly rejected this fabrication.

Minister Views PRC Communications, Post Accords

OW1303054592 Hanoi Voice of Vietnam in Mandarin 0830 GMT 11 Mar 92

[Interview with Bui Danh Luu, minister of communications, transportation, and post, by unidentified VNA reporter in Beijing on 9 March; from the "Commentary on Current Events" program—read by announcer]

[Text] [Reporter] Please comment on the significance of the Sino-Vietnamese agreements on communications, transportation, and postal and telecommunications links.

[Bui] On 8 March 1992, on behalf of the Vietnamese Government, I signed four relevant agreements with the leaders of the relevant departments of the People's

Republic of China. These include a civil aviation agreement governing the opening of air routes between the two countries; a navigation agreement on sea freight and passenger transport; a railway agreement on resuming railway communications to satisfy the desire to develop trade and mutual contacts between the peoples of the two countries; and a postal and telecommunications agreement on restoring postal and telecommunications links between the two countries. Both sides also unanimously agreed that the agreements would take effect on their date of execution. This is in line with the wishes and aspirations of the peoples of Vietnam and China.

This is an event of great significance and is the result of joint efforts to restore and develop cooperative relations between the two countries. This also represents the realization of proposals put forward by high-level leaders of the two countries during their meeting in November 1991. Their ideas were taken a step further during Chinese Foreign Minister Qian Qichen's February 1992 visit to Vietnam. Signing these four agreements will greatly enhance the development of cooperative relations between the communications, transportation, and postal and telecommunications departments in the two countries. Both sides have made efforts in further expanding and developing relations between Vietnam and China, based on the principles of friendship and good neighborliness, equality and mutual benefits, and peaceful coexistence.

[Reporter] What about relations between Vietnam and China in communications and transportation?

[Bui] The Vietnamese Government's position on this issue is very clear-cut. On 10 November 1991, Do Muoi, general secretary of the Central Committee of the Vietnamese Communist Party, and Vo Van Kiet, chairman of the Council of Ministers, issued a joint statement at the end of their official and friendly visit to China. It was clearly stated therein that Vietnam recognizes the People's Republic of China as the only legitimate government of China and Taiwan as an inalienable part of China. Vietnam and Taiwan maintain only nongovernmental economic and trade relations. The Chinese side has expressed its outstanding appreciation in this regard. Aviation and navigation relations established between Vietnam and Taiwan are completely nongovernment operations; they are just trade relations. The service industries of air and sea communications between both sides are run by nongovernment Vietnamese companies and Taiwan private companies. The Vietnamese side has no intention of signing any aviation or navigation agreements with the Taiwan Government or any government affiliated company. Thus, Vietnam does not expect to operate any airline business on the routes between Vietnam and Taiwan with any government affiliated Taiwan airlines. Taiwan flights landing in Vietnam do not fly any flags or bear any emblems of the Taiwan Government.

Radio Comments on Accords

OW1003134692 Hanoi Voice of Vietnam in Mandarin 0830 GMT 10 Mar 92

[Station commentary on Vietnamese-Chinese agreements on communications, transportation, postal, and telecommunications services recently signed in Beijing; from the "Commentary on Current Events" program]

[Text] At the invitation of the Chinese Government, a Vietnamese communications, transportation, and postal delegation—led by Bui Danh Luu, minister of communications, transportation, and post—visited China from 7 to 9 March. The two sides signed four agreements on cooperation in communications, transportation, postal services, and other areas. During a cordial meeting after the signing ceremony, the two sides expressed delight at the signing of the agreements and unanimously stressed the importance of [words indistinct]. They indicated that relevant departments in their countries would try to adopt prompt measures to implement the signed agreements as part of the effort to earnestly implement the agreements reached by their countries during a summit meeting held to promote complete normalization of relations.

As a matter of fact, relations between the two countries were formally normalized with the official visit to China by a high-level Vietnamese delegation led by General Secretary Do Muoi and Premier Vo Van Kiet. The two countries have initiated cooperation in all fields, making gratifying progress in the preliminary stage. Delegations from both sides have exchanged visits. Additionally, border trade between the two countries has been growing. Even before the normalization of relations, various local governments in China's border areas allowed all types of companies to expand trade relations with Vietnam.

THE CHINA DAILY says: Various Vietnamese and Chinese companies have signed trade contracts worth over $100 million. Trade relations are expected to increase under the current situation of normalized relations. China is currently drafting various plans for developing cooperation with Vietnam in light of the latter's economic development. Huang Qun, director of the Foreign Affairs Office of the Guangdong Provincial Government in China, commented: There are broad prospects for China and Vietnam to develop economic cooperation.

An analysis in ZHONGGUO YATAI JINGJI SHIBAO says: Vietnam is a highly attractive market for investment by foreign businessmen—including those in China—despite problems currently plaguing the investment climate. In an article, (Gao Mingwei) of the Southeast Asia Institute of China's Xiamen University lists the favorable factors in Vietnam's investment climate. These include a coastline stretching over 3,000 km, a huge and cheap labor force, low land rents, preferential tax rates, abundant agricultural products, and strong market potential.

Besides the four agreements signed in Beijing recently, the XINHUA news agency on 5 March reported the Chinese Government's announcement of plans to restore Sino-Vietnamese rail links. According to XINHUA, renovation of the railway linking China's Pingxiang with Vietnam's Dong Dang has been completed. The railway will open to traffic after all relevant work is completed by the two sides.

These facts show that economic relations between Vietnam and China are growing in all fields. This is consistent with the long-cherished wish of the Vietnamese and Chinese peoples.

Wire Transfer Agreement Reached With U.S. Bank

BK1203065992 Hanoi VNA in English
0628 GMT 12 Mar 92

[Text] Hanoi VNA March 12—A banking agreement for wire transfer has been signed with immediate effect between Vietcombank and Bank of America for what is known as 'family remittance service'.

As said by the Vietnamese bank's Deputy Director-General Ha Van Sung, who signed the agreement in Hanoi on Tuesday [10 March], the agreement ensures direct, speedy, safe remittances by Vietnamese living in the United States who until now have had to send money home through circuitous and often time-consuming ways.

Also speaking after the signing ceremony, which was observed by Vietnam State Bank's Deputy Governor-General Le Van Chau, Bank of America's Vice President Creenborg, who was the other signatory, said the agreement showed 'a great deal of effort' on the part of Vietcombank and Bank of America.

'This business is the first step for you and for us in understanding each other and working with each other', he said, adding: 'We're hopeful of building a strong relationship based on this step'.

General Secretary Do Muoi's Congress Speech

BK1003074792 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 Mar 92

["Part 1" of Party General Secretary Do Muoi's speech at third Second-Round Congress of the Central Science and Education Bloc's Party Organization held on 4-5 March in Hanoi—read by announcer]

[Text] Dear Comrades: On the occasion of the central Science and Education Bloc's party organization congress, I cordially convey the best regards of the party central committee political bureau to you and through you to all party organization members, cadres, and personnel in the bloc. In the course of your preparations for the congress, the party central committee secretariat already made several suggestions that have been included in the report presented to the congress. Therefore, today I would like to make only some additional statements on a certain issue.

The congress of your party organization is held in generally very basic favorable conditions among which the best one is that the renovation line set forth by the Sixth Party Congress has been affirmed and carried on by the Seventh Party Congress. The Seventh Party Congress resolution pointed out the general political line and even the guidelines and policies on renovating all aspects of social life, including the scientific and eduational tasks.

Implementing the Seventh Party Congress resolution is the process of continuously applying the revolutionary and scientific principles of Marxism-Leninism and Ho Chi Minh thought to the specific conditions of our country at the present stage that aims to perfect the lines, viewpoints, and policies of the party and state concerning all domains of social life. This is a very difficult task that requires creativity on the part of all party members, troops, and people—first of all, the contingent of scientists. This is a great honor yet a very heavy duty for which you are held responsible to the people and before history.

As the delegates of the central science and education bloc's party organization include large numbers of intellectuals, you should realize adequately your responsibility for bringing the spirit and contents of the Seventh Party Congress documents to bear thoroughly on the scope of your congress in order to define the duty of your party organization and to strenuously fulfill it in this term of office.

Facts of the country over the past five years or more have asserted that the party's renovation line is correct, creative, and suitable to the national traditions and specific conditions of the country. Although the domestic situation is still very difficult and the world situation has undergone complex changes, our party has succeeded in leading the people to overcome ordeals, firmly maintain political and social stability, consolidate national defense and security, and has somewhat ensured stability and development for the economy. These initial and very important results have encouraged our people to strenuously overcome all obstacles, develop favorable conditions, and firmly grasp and optimally exploit the opportunity to carry on the renovation process in a profound, comprehensive, uniform, and steady manner. This is a national development policy and the steel-like will and earnest aspiration of all our party members, troops, and people.

Dear comrades, since its foundation, our party has clearly defined its objectives of national independence and socialism. This great cause belongs to the people. Our state is of the people, by the people, and for the people. Imbued profoundly with this spirit, the Seventh Party Congress placed humans in the center of all strategic plans and policies, considering humans as both

the driving force and objective of the renovation process and socioeconomic development. The congress set forth a very high demand for developing the human factor and serving the people. Along with its economic development effort, our party has asserted that education and training together with science and technology constitute the primary national policy. Also, public health is a very valuable asset of the people and the country.

A rational population growth is a condition to ensure economic development and to meet the requirements of stabilizing and improving the people's livelihood. The Seventh Party Congress asserted the important role and position of intellectuals in renovating the country in conformity with socialist orientation, and the strategic significance of the worker-peasant-intellectual alliance.

The contingent of intellectuals in our country is composed of large numbers of intellectuals trained by the party and state since the August revolution and of intellectuals from other sources who have been forged and trained to grow both quantitatively and qualitatively.

The party and state which have always treasured and relied on this contingent, considering it a very valuable source of intellectual assets of our nation, have emphasized the need to create conditions for intellectuals to develop their creativity and, at the same time, the necessity to attentively train future generations of intellectuals for our country.

The science and education bloc's party organization is responsible for directly contributing to this task. Cadres and members in your party organization mainly come from the country's intelligentsia. Teachers, physicians, and scientific and technical cadres who are working in various agencies, committees, and branches of the central science and education bloc, including the core component, typify the intellectual force of the entire country. The core component consists of the leading scientific and technological experts, the people's and emeritus teachers, and the people's and emeritus doctors. This core component plays a great role and exerts much influence over the intelligentsia throughout the country and over youths and students who are the future intellectual force.

During the long struggle for independence, our intellectuals together with the people countrywide endured many hardships and sacrifices and made worthy contributions to asserting their positions in national history. Today, in national construction and defense, the role of intellectuals has become all the more important, just as our party has asserted: Without intellectuals, it is impossible to build socialism. This is a consistent viewpoint of our party.

We must frankly admit, howewver, that in applying this viewpoint to the real situation, there have been at times some narrow-minded people in a certain number of localities who have not paid due attention to creating an environment and favorable conditions for liberal creation and have not effectively used the valuable intellectual resources of the country. The life of our intellectuals is still rife with difficulties. This is a shortcoming that our party and state have to overcome in the coming days.

Promoting the human factor for the sake of people's happiness and building a contingent of intellectuals sufficiently capable of solving problems of the era and the country are great and long-term tasks of the party throughout the course of the Vietnamese revolution. Implementing the Seventh Party Congress resolution, your party organization must strive to overcome all difficulties in order to help implement correctly these paramount tasks.

With a sense of adequate responsibility to the people and the party, your party organization must do its utmost to care for and raise the intellectual standard and health condition of the people, build a contingent of intellectuals, and create an ever higher intellectual potential to meet the country's development requirements at present and in the future.

Dao Dinh Luyen Attends Region Nine Army Meeting

BK0903070392 Hanoi Vietnam Television Network in Vietnamese 1300 GMT 8 Mar 92

[Text] The headquarters of Military Region Nine just held a meeting to review its 1989-1991 people's national defense and people's army work. Representatives of party committees, government offices, army units, security force, and border troops of 10 provinces and 27 districts in the Mekong River Delta attended the meeting. Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee and chief of the General Staff of the Vietnam People's Army [VPA]; Lt. Gen. Le Kha Phieu, member of the party Central Committee and director of the VPA Political General Department; representatives of the Ministry of National Defense; and commands of armed forces also attended the meeting.

After listening to reports by Military Region Nine's armed forces commands and command assistants, the General Staff chief addressed the meeting on the current tasks of national defense. He expressed the hope that party committees and government offices of provinces in the Mekong River Delta will continue to develop their tradition of unity with the armed forces in building a strong and rich country for the firm protection of the socialist Vietnamese fatherland.

Private Sector Accounts for 40% of Output

BK1003063592 Hanoi VNA in English 0601 GMT 10 Mar 92

[Text] Hanoi VNA March 10—The non-state economic sector, including the collective, individual and private economies, last year accounted for 40 percent of the total value of industrial production, and employed nearly 3

million workers or two-thirds of the industrial work force. It counts more than 20,000 cooperatives, 1,000 private enterprises and 300,000 households.

Many traditional family-based crafts such as shoemaking, tailoring, plastic goods, ceramics, furniture, etc. have been restored and developed.

Cottage industries such as silk weaving in Van Phuc (Ha Tay Province), ceramics in Bat Trang Village on Hanoi outskirts and Song Be Province in south Vietnam have also revived quickly over the last few years.

In some specific lines, non-state sector is holding the predominant role. For instance, leather shoes sold in the markets are mostly produced in the country. In particular, foam rubber sandals are more and more competitive against those imported from Thailand and China.

Various kinds of consumer goods produced by non-state economic organizations have been exported to some markets in Asia and Europe.